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REPORT

OF THE

Evidence

AND

REASONS OF THE AWARD

BETWEEN

**Johannis Orlandos & Andreas Luriottis,
Greek Deputies, of the one part,**

AND

**LE ROY, BAYARD & CO., and
G. G. & S. HOWLAND, of the other part.**

BY THE ARBITRATORS.

NEW-YORK.

Printed by W. E. Dean, No. 3 Wall-Street.

1826.

REPORT,

&c. &c.

THE frigates *Hope* and *Liberator* lately built and equipped in the port of New-York, by Messrs. Le Roy, Bayard & Company, and Messrs. G. G. and S. Howland, have long been the subject of ominous mystery to some, and of deep interest and solicitude to many of our fellow-citizens.

The claims and accounts of those Houses for their expenditures and services in building and equipping those ships, have been adjusted by the undersigned as Arbitrators: and although the investigation was conducted in as private a manner as the nature of the subject and the just rights of the parties would permit; yet without the privity or consent of the Arbitrators, and, contrary to their sense of duty and propriety, the prominent facts relating to that enterprize have gained publicity; and in a form grossly caricatured and incorrect. The Arbitrators therefore feel constrained, by a due respect to public opinion, and a just regard to their own character, to make an exposition of the subjects of controversy submitted to them, with the grounds of their award. Until the clearance and departure of the ship *Hope*, it would have been a breach of trust in the Arbitrators, to have made the disclosures which the subject involves. The undersigned have also felt the full force of those delicate considerations, which, as dutiful citizens, they owe to the United States; and which forbid a wanton and unnescessary exposure of any facts which might induce a belief, that our Government has connived at an enterprize

forbidden by the laws of our own country, and in violation of national neutrality.

We now respectfully present to the public a statement, which calumny has extorted, and which the duty of self-defence, we hope, will justify.

In the month of June last, application was made to us by the Counsel for the contending parties, to become Arbitrators, to adjust and determine their differences in relation to the building and equipping those ships: and we agreed to accept that office. Soon afterwards the Counsel presented to us an agreement of submission, of which the following is a copy.

*This Agreement, made this twenty-third day of June, in the year of our Lord, one thousand eight hundred and twenty-six: Between Johannes Orlandos, and Andreas Luriottis of the first part, and William Bayard, William Bayard, Junior, and Robert Bayard of the house of Le Roy, Bayard & Co. and Gardiner G. Howland & Samuel S. Howland, of the Firm of G. G. and S. Howland, of the second part. Whereas a controversy has arisen between the said Parties respecting certain charges, claims, and accounts of the said Parties of the second part, arising out of the Contract or agreement between the said Parties of the first and second parts, for the building and equipment of two ships or vessels, called the Liberator and the Hope. Now it is hereby agreed between the said Parties, to refer the said accounts, and all claims of the respective Parties, or either of them, in any wise relating to the said ships, or growing out of the Contract or agreement aforesaid, for the building and equipment thereof, to the arbitration of Jonas Platt, Henry C. De Rham, and Abraham Ogden, mutually chosen by the Parties aforesaid; and their award in the premises, or that of any two of them, shall be conclusive between the Parties, and shall be made within twenty days from the date hereof. And it is hereby agreed between the said Parties, that the said ships shall be forthwith conveyed by good and sufficient instruments in the Law, for that purpose, to the said Jonas Platt, Henry C. De Rham, and Abraham Ogden, in trust for the following purposes: that is to say, the said Jonas Platt, Henry C. De Rham, and Abraham Ogden shall convey one of the said ships to any person or persons nominated in writing by the said Parties, and for a price to be agreed to by the said Parties. *Provided* such nomination and agreement shall be made within thirty days from the date hereof; and in that case the purchase-money of the said ship, so to be sold and conveyed, shall be paid to the said Arbitrators in trust for the said Parties as hereinafter mentioned.*

And further, that with the exception of the power of the said Parties to direct such conveyance as aforesaid within the period aforesaid, the said Jonas Platt, Henry C. De Rham, and Abraham Ogden shall hold the said ships in trust to be sold or otherwise disposed of, as the said Arbitrators, or any two of them, shall award: And it is hereby further agreed, that in case one of the ships shall not be sold with the assent of the Parties aforesaid, and within the time aforesaid, the said Arbitrators, or any two of them, shall sell, or direct, and cause, that the ships or either of them, as the case may require,

be sold or mortgaged within ten days after the expiration of the said thirty days above mentioned, for the purpose of raising monies to the amount of the award, *Provided* that in the opinion of the said Arbitrators, such sale within the ten days can be made without an unreasonable sacrifice ; but if in the opinion of the said Arbitrators a longer period shall be required in order to avoid such sacrifice, then such sale shall be postponed for such further short period, as the said Arbitrators, or any two of them, may judge to be reasonable, not exceeding twenty days thereafter. And out of the Proceeds of such sale or mortgage the said Arbitrators, or any two of them, after deducting their own costs and charges for their services as Arbitrators, shall pay to the Parties of the second part respectively the amount or sums of money (if any) to be awarded to them, and the residue (if any) of the said proceeds shall be paid to the Parties of the first part.

And in case either of the Parties shall revoke this submission, the Arbitrators, or any two of them, shall dispose of the said ships or their proceeds for the benefit of the said Parties, or either of them, as to them the said Arbitrators, or any two of them, the rights of the Parties respectively shall appear to require, and as to them (the said Arbitrators) shall seem agreeable to justice and equity. *In testimony whereof* the Parties to these presents have hereunto set their hands and seals, the day and year first above written.

The Counsel at the same time delivered to us a formal assignment of the ship *Hope*, executed by Le Roy, Bayard & Company ; and a like assignment of the ship *Liberator*, executed by G. G. & S. Howland ; together with “ all the “ tackle, apparel, furniture, materials, sails, anchors, boats, “ equipments and appurtenances,” belonging to said ships respectively : but without any Inventory.

On the 28th June the Arbitrators met ; and were attended by Thomas Addis Emmett and David B. Ogden Esquires, as Counsel for the Commercial Houses of Le Roy, Bayard & Company, and G. G. & S. Howland ; and by John Duer, Henry D. Sedgwick and Robert Sedgwick Esquires, as Counsel for *Johannis Orlandos* and *Andreas Luriottis*, the Greek Deputies. Mr. William Bayard Jun'r. and Mr. G. G. Howland were also present. The Arbitrators opened the subject by stating, that they had consented to act as Arbitrators, in hearing and deciding the matters in controversy ; and they now discovered that it was proposed to invest them with the arduous and responsible duties of trustees, by the assignments of the ships ; and that they had never been consulted in regard to such trust ; and felt anxiety and reluctance in undertaking it : that the amount of property was very large, and there were considerations peculiar to

those ships, which rendered it very uncertain, whether the trust would be simple and of short duration; or whether it would be onerous and long protracted. To this objection, the Counsel for the Parties answered, that it had been found indispensably necessary to connect the trust with the submission, in order to effectuate the objects which the parties had in view: that Mr. Contostavlos, the sole agent of the Greek Deputies, was then at Washington; that there would be great difficulty in agreeing on other Arbitrators, if he were here: that delay was one of the greatest evils to be deprecated: and that it would subject the interest of the immediate parties, and the heart-felt cause of Greek emancipation, to great hazard, if the arbitration should be defeated. The Arbitrators yielded to these considerations; and then stated explicitly to the Counsel, and such of the parties as were present, that in regard to their services as *Arbitrators* merely, they should expect a compensation according to the practice in like cases; but that in regard to the *trust* of receiving the title, and keeping, securing and selling the ships, it would be considered as a matter of agency; for which a reasonable compensation would be charged, according to the services, risques, and probable extent of responsibility; to be judged of at the time of making the award. To this frank avowal by the Arbitrators, the Counsel on both sides expressed their entire satisfaction; and declared that such a rule of compensation entirely corresponded with the views of the parties.

The Arbitrators then stated, that by the terms of the submission and assignments, the ships, and a large amount of loose property in naval stores, armaments, &c. were cast upon their hands; without any provision or stipulation for the heavy current expenditures of keeping, guarding and insuring them, during the long interval that might ensue between the date of the submission and the making of the award: and the Arbitrators expressed their unwillingness to make such advances from their own pockets. It was conceded that there was an inadvertent omission to provide for

such expenditures in the agreement of submission ; and that it would be unreasonable to ask the Arbitrators to make such advances. Messrs. G. G. Howland and Mr. William Bayard Jun'r. then promptly proposed to obviate the difficulty, by engaging verbally to pay all those current expenses up to the time of making the award ; and that such disbursements should be charged and allowed in their accounts, on the same footing as all previous expenditures. Which proposition was distinctly assented to by the Counsel for the Greek Deputies : and the Arbitrators acted upon the faith of that agreement. It is here proper to remark, that *Mr. Contostavlos* being absent, and not soon expected to return to New-York, it was impossible to enlarge or modify the terms of the submission, in a formal and obligatory manner ; because he was the only person authorized to act for the Greek Deputies in that matter.

The Arbitrators then inquired who had the charge and custody of the ships and stores, as agent for the Commercial Houses, and were informed that *Captain Wolcott Chauncey*, of the Navy of the United States, was such agent ; and that he had the requisite number of sub-agents and seamen under his controul, to guard and protect the ships and their appurtenances. The Arbitrators then inquired, whether the parties were satisfied of the fidelity of Captain Chauncey and the other persons employed under him ; and whether any change was desired ? To which the Counsel on both sides answered, that they were satisfied with Captain Chauncey and the persons employed by him, and wished no change.

The Arbitrators then adopted the proper means to obtain the possession of the ships and other property, by virtue of the assignments ; and obtained an Inventory, including a large amount of property, not immediately connected with the ships, and distributed in various store-houses, and other places of deposit : and gave the necessary written instructions to Captain Chauncey as their agent. Ten or twelve different policies of Insurance in various offices, covering the

ships and the other property, for portions of their value, were transferred to the Arbitrators; and regular notice given of such transfers: and several of those policies were renewed to the Arbitrators, as they afterwards occasionally expired.

A paper, whereof the following is a copy, was delivered to the Arbitrators, on the 29th June.

Whereas, at the request of the parties, and in consideration of the urgency and magnitude of the case, Jonas Platt, Henry C. De Rham, and Abraham Ogden have consented to become Arbitrators between Johannes Orlandos and Andreas Luriottis on the one part, and the mercantile firms of Le Roy, Bayard & Co. and G. G. & S. Howland on the other part; and have also consented to receive a conveyance of two ships and other property to a large amount as trustees of the said parties, or some of them; now therefore this is to declare, that the said Arbitrators are in no case to be responsible for any loss or misfortune which may happen to the said ships or property, whether by the employment of agents or otherwise, excepting only that each of the said Arbitrators is to be answerable for his own wilful act or default, but no otherwise howsoever. June 28, 1826.

JOHN DUER,	} For Orlandos,
H. D. & R. SEDGWICK,	} and Luriottis,
THOMAS ADDIS EMMETT,	} G. G. & S. Howland,
DAVID B. OGDEN,	} Le Roy, Bayard & Co.

The Arbitrators had no objection to receiving that explanatory declaration of the responsibilities of their trust, but it was considered by them of little value or importance: 1st. because, if obligatory, it made no essential variation in the duties or liabilities of the trust. It does not indemnify against seizure, or the expenses of litigation, or the heavy expenditures for keeping, guarding, and insuring the ships &c. after the date of the assignments: and who can define the construction or effect of the terms, "that each of the said Arbitrators is to be answerable for his own wilful act or default?" 2ndly. The Counsel for the Greek Deputies had no authority to make any alteration in the terms of the trust. It was not within their powers as Counsel, and had no binding effect upon their clients.

On the 29th June the counsel for Le Roy, Bayard & Company, and G. G. & S. Howland, opened their cause; and stated their claims generally against the Greek Deputies.

1st. For large balances due to the respective Houses for monies expended and liabilities incurred in building and equipping those ships, and purchasing the extra armaments and naval stores appertaining to them, including commissions, and charges for drawing bills for those expenditures.

2nd. Damages at 20 per cent. upon two bills drawn by Le Roy, Bayard and Company on J. & S. Ricardo of London, viz.

1 Bill drawn 23d Nov. 1825, for £15,000 sterling

1 do. 15th Dec. 1825, £13,000.

And like damages drawn upon two bills by G. G. & S. Howland on J. & S. Ricardo, viz.

1 bill 23d. Nov. 1825, for £15,000 sterling

1 do. 16th. Jan. 1826, for £12,000.

Which four bills were protested for non-acceptance and non-payment.

3d. For £7,500 sterling lost to G. G. & S. Howland, without their negligence or fault, by the failure of Samuel Williams of London ; he being their agent and banker, in whose hands the monies for which they were required to draw on J. & S. Ricardo had been deposited for safe keeping, with instructions to keep it separate, &c.

A large mass of written correspondence and documentary evidence was introduced in the progress of the hearing, which the limits of this publication will not permit us to present entire. We feel the difficulty of making an impartial and correct discrimination between the parts to be inserted, and those which may with the most propriety be omitted. We undertake to give only the most prominent parts of the correspondence.

Instructions from Greek Deputies to Gen. Lallemand and the Houses.

INSTRUCTIONS.

Art. 1. General Lallemand, on his arrival in the United States of America, will call on Messrs. Le Roy, Bayard and Co. and Messrs. G. G. and S. Howland, who have the confidence of the Grecian Deputies, and will hand to these Houses the letter of Credit for £50,000 which he takes, and will concert with them the measures to be employed in their operations.

2d. An attempt will be made, with all possible precaution, to procure from the United States, Frigates ready for sea.

3d. Should this attempt be successful, the sums provided for by the letters of credit will be employed for the payment of the said Frigates.

4th. After this attempt is made, orders will be given and contracts be made by the American houses for the immediate construction of two Frigates, for the payment of which, the method which shall be pointed out by the Deputies is to be followed.

5th. General Lallemand will ascertain that the contracts are for Frigates of the *first class*, and that none other than the best of materials be employed; and that in the building, rigging, equipping and arming the same, the same rules shall be followed as are laid down by the Admiralty of the United States for Government Frigates.

6th. The conditions are to be very explicit and decisive, that the building, equipping, and arming, may be accelerated by every possible means; and that the Frigates may be ready for sea with the least possible delay.

7th. The boats, launches, &c. are to be included in the contract, agreeably to the rules referred to in No. 5.

8th. To the usual outfit will be added a double set of spare spars, sails, and rigging of every kind; so that after having deposited one complete spare set at the seat of Government in Greece, each vessel may have on board the usual spare spars, &c. carried by a vessel on going to battle.

9th. The armament is to consist not only of artillery, but is to include all the smaller weapons used on board a Man of War, such as pistols, cutlasses, pikes, &c.

10th. The Frigates are to be furnished with warlike stores of every description, sufficient for a campaign, and will each have a treble supply of missiles (shot,) so that they may deposit at the seat of Government two of the above supplies of missiles.

11th. They must have on sailing from the United States, a supply of provisions sufficient for a complete crew for at least 6 months.

12th. They are to be furnished with medicine, surgical instruments, lint, bandage, &c. &c.

13th. American officers will be chosen to command these frigates when they sail from the United States.

14th. The said commandants will be chosen by the American Houses who are in the confidence of the Grecian Deputies, and by the General Lallemand.

15th. The commandants will necessarily be chosen from the United States' Navy; and will be those, who being recommended by the Navy Department, will be best entitled to responsibility and confidence in business which is most important to the Grecian Government. It is understood that each Frigate is to have its own Commander in Chief, who is to have the sole command thereof. The Greek Deputies, in order to insure as much as possible the safe and speedy arrival of the vessels at the seat of Government in Greece, will require that the two Commandants, and each of their officers, shall take a solemn oath that they will faithfully execute their mission.

16th. As soon as the contracts are arranged for the building of the Frigates, the officers are to be chosen as specified in Art. 14 and 15. It must, however, be observed, that if possible, no compensation should be allowed the officers thus engaged, until they have taken an active part in the execution of their mission. If this will not answer, the best possible arrangements must be made.

17th. The officers will receive temporary commissions from the two above-mentioned Houses and General Lallemand, which will be signed by the Deputies and left with the said parties in deposit.

18th. The commandants, as well as their officers, will, as soon as their services are required after their nomination, rendezvous at the ports where their respective frigates may be.

19th. The pay, &c. of the officers will commence from the day of their arrival at the sea-port to take an active part in the duty.

20th. Each captain will choose his own officers and crew, consulting, however, with the Gentlemen who deliver them their commissions.

21st. The crews are to consist of a sufficient number of men, for the manœuvring of the frigates, and for sailing them with safety and dispatch to the Greek ports. Care will be taken to enlist among them a number of boat-swains, mates, experienced sailors and gunners, that they may immediately instruct the Greek crews these frigates will take.

22d. The pay, &c. of the commissioned and warrant officers, and the crews of different grades, will be regulated by the principles adopted by the United States. These principles will be the basis, and may, if that be necessary, be modified. General Lallemant, will, on this subject, consult the Houses he is referred to; and between them they will adopt such measures as may be most beneficial to Greece.

23d. The crews are to be shipped to sail the vessels to Napoli de Romanie in Greece.

24th. The navy officers, health officers, warrant officers and sailors, will have the privilege on the arrival in Greece, of enlisting in the Greek service, as is specified in the instructions to the Deputies; a copy and translation of which they now transmit. The frigates, after receiving from the Greek Government the national flag, will necessarily take Greek commanders, under whom the American officers, after their arrival in Greece, will be bound to serve.

26th. The American officers and sailors, who ship in the Greek fleet, will receive, when there are prizes taken, their due proportion of the same; which will be punctually paid to them according to the regulations established by the Greek Government.

27th. The Deputies, in the name of their Government, assure the American officers and sailors, by these presents, that they will grant rewards equal to the services that may be rendered; and that all brilliant actions will be distinguished by the sincere marks of the nation's gratitude.

28th. In case that any important question should present difficulties in the conclusion of the operations, or which would interfere with the welfare of Greece, it is the wish of the Greek Deputies to have the same referred to the members of the Navy Department of the United States; and that they be requested to give their advice confidentially, which will be taken as the ultimatum. Should there be any difficulty in procuring the opinion of the members of the Navy Department, then one or two of the officers of superior grade of the United States' Navy shall be consulted, and their opinion adopted.

29th. These instructions, delivered by the Deputies to General Lallemant, are to be considered as comprising all the rules which are to regulate the operations as well in his proceedings with the United States' Government, as with individuals, and agreeable to which the Houses chosen by the Deputies are to proceed. These instructions are to be considered as common to the two Houses and to General Lallemant. The Deputies are aware how much they are dependent on the good understanding between the Houses and General Lallemant, whose devotion to the cause of Greece is well known.

(Signed) { JEAN ORLANDOS,
ANDREAS LURIOTTIS.

CHARLES LALLEMAND.

Additional Article.

Before any arrangement is made for executing these orders by purchasing or building the frigates, the two Houses to whom General Lallemant is referred, must ascertain in the most unequivocal manner, that their Government will permit the sailing of the frigates, and the enrolling of the men; and that this operation, so important to the welfare of Greece, will meet no opposition from the Government or the laws of the United States.

New-York, 10 May, 1825.

GEN. CHARLES LALLEMAND.

Dear Sir.

After possessing the necessary information in this and the other sea-port towns in the United States, and receiving estimates and proposals for building two Frigates of the first class, we are of opinion that the Greek interest will be most benefitted, in the building and dispatch of said vessels by days' work, under the inspection of an experienced officer of the Navy of the United States and our direction, and if from the information you possess, the conferences we have had, on the subject; you are of the same mind, you will express it to us in a written communication, and give us such advice and instructions as you may conceive will best meet the wishes and views of the brave and generous nation for which we are to act.

Respectfully yours,

(Signed)

{ G. G. & S. HOWLAND,
{ LE ROY, BAYARD & Co.

New-York, 11th. May, 1825.

MESSRS. G. G. & S. HOWLAND,

LE ROY, BAYARD & Co.

GENTLEMEN.—After having attentively compared the proposals received for the building of two Frigates of the first class for the Grecian Government, and from the information obtained on this subject, I am convinced the method you mentioned, in your note of 10th Instant, is in conformity with the interest of Greece. The plan you propose, after a deliberate examination, appears to be the best calculated, both for economy and dispatch; as by having funds at your disposal, you may provide for and hurry the works. I therefore give my entire approbation to the proposition in your note of 10th Instant, of building the frigates by days' works, under the inspection of an experienced officer of the United States' Navy and your directions.

Being called on to co-operate with you in this sacred cause, I am happy to have it in my power to thank you for the interest you take in it, and the zeal which marks your operations. The sentiments you have expressed, lead me to place implicit confidence in you in any business we may have between us, relative to the brave nation whose toils and fate I am impatient to share.

I have the honour to remain

Respectfully yours,

(Signed)

CHARLES LALLEMAND,

TRANSLATION.

{ MESSRS. ORLANDOS & LURIOTTIS,

New-York, 15th May, 1825.

Deputies of Greece, London.

GENTL. MEN.—After many difficulties in combining the different conditions, which for the benefit of Greece it will be necessary to adopt, we have

at last determined on the measures for building two frigates of the first class.

Circumstances are at present unfavourable for making contracts, as owing to the great number of vessels of war which have already been commenced for different foreign Governments, the carpenters ask very high prices.

The builder generally looked upon as most capable of executing the work well and expeditiously, asked at first \$455,000 for one frigate, without reference to the armament. After many consultations, he fixed as his ultimatum, and as a price from which he would not deviate, \$377,000, also without armament; but he would not engage to deliver the first frigate under 14 months, nor the second under 18 months. This proposition could not be acceded to, either as to price or time.

We have consulted some of the most experienced officers of the United States' Navy, and in compliance with the advice of one of them, who for many years has been entrusted with the superintendence of the building of vessels of war for the Government, we have agreed to build the two frigates by days' work, that is to say, by directing the materials to be purchased and paying for the work as it is done.

Orders have consequently been given to the carpenters who have gone to different places to purchase the timber. Messrs. Le Roy, Bayard & Co. and Messrs. G. G. & S. Howland having furnished the necessary funds. These gentlemen draw on Mr. Williams for the sum which you have placed at their disposal, so as to accelerate the work by every possible means. An officer of the United States' Navy will be entrusted with the superintendence of the work. This is necessary to ensure its being conducted in the most advantageous manner for Greece, and we will then feel certain that the building is as it ought to be.

I ought not to conceal from you that the Government of Greece cannot have these frigates at their disposal this campaign; but at the same time I do not think it possible for them to procure others elsewhere. Feeling how important it is that your country should receive prompt aid, I shall continue my endeavours to find for your Government two well armed vessels, which may be considered as good corvettes. If I succeed I will sail in these vessels, as, the important operation being determined on, as soon as it is in full operation it will no longer be proper for me to remain here, whilst I think I might render important services by going to Greece and taking a part in the operations during the campaign.

It is important that you should write immediately, authorizing the purchase of 2 corvettes; they would be substantial and prompt aid while the frigates are building.

(Signed)

CHARLES LALLEMAND.

TRANSLATION.

GENERAL.

London, 15th June, 1825.

We have just received your letter of 15th ult. and notice the exorbitant prices asked for the frigates by your carpenters. You can easily imagine that the time required for the building was entirely out of the question.

We believe that the plan you have adopted to proceed by days' work is the most suitable; but we must strongly urge the greatest vigilance and care, so as not to be deceived in the quality of wood, or the other materials. We have full confidence in Messrs. Le Roy, Bayard & Co. and we are pleased to find that similar undertakings are not novel to them. As relates to the time which will be requisite for the completion of these vessels, we flatter ourselves that at any rate it will not exceed more than one or two months the time fixed in your first letters. You will remember that you fixed the maximum in the month of November.

We have already given you our ideas about the purchase of two corvettes. It will in no wise answer ; having no instructions from our Government. If your friends intend sending vessels with the intention of endeavouring to sell them to the Greek Government, they may do it, but we can give no opinion on this subject.

(Signed)

{ JEAN ORLANDOS,
AND. LURIOTTIS,

TO GENERAL LALLEMAND.

New-York, May 31, 1825.

JEAN ORLANDOS & AND. LURIOTTIS.

GENTLEMEN.—We confirm the several letters we have had the honour of writing you, the last of which was on the 23d Inst. We hope they may have safely come to hand, and had your attention. We do not doubt that ere this you will have forwarded us Credits, confirmed by your Banker, as Drafts on a stranger, with foreign countries, and without confirmed Credits, are not considered as in order: and in the event of absence from London, our Drafts might not be immediately accepted, which would be unpleasant in the extreme; besides, we make great progress in the building, and we have to pay in advance for the materials. If you have not yet procured the confirmed Credits, we beg your particular attention, that our Drafts may be regularly accepted on presentation.

We are, &c. &c.

(Signed)

{ LE ROY, BAYARD & Co.
and G. G. & S. HOWLAND.

London, 15 June, 1825.

MESSRS. LE ROY, BAYARD & Co. G. G. & S. HOWLAND.

GENTLEMEN.—Since our last respects of 31 May last, which we now confirm, we have been favoured with yours of 14th of same month; we notice your determination to have the frigates built by days' work, as the most economical and beneficial plan: we also hope, that the time necessary for the building of these frigates will not be long. General Lallemand, in his letter of 16th April, informs us that they can be got ready for sea in the month of November next; and we flatter ourselves, if this time is exceeded, it will not be for more than one or two months. The Drafts you have drawn on S. Williams have been already accepted, and the same honour is reserved for those you intend drawing on Messrs J. & S. Ricardo, for our account. Expecting to hear from you shortly, we remain, &c.

(Signed)

{ JEAN ORLANDOS,
ANDREAS LURIOTTIS.

TRANSLATION.

London, 29th June, 1825.

MESSRS. LE ROY, BAYARD & Co. and G. G. & S. HOWLAND, *New-York.*

GENTLEMEN.—Conformably to the desire you express in your letter of the 23d May received yesterday, we send you enclosed two credits of £15,000 each, making together the sum of £30,000 sterling, for which you can draw on London. Agreeably to the former practice, we have divided the credit to enable you to draw separately. If we could presume what would be the amount which you would want for the building of the frigates, and when the money would become necessary, we should not have hesitated to increase

the credits we have this day opened for you; at any rate, if it should so happen that you should not think the sum sufficient even for urgent wants, we wrote you on the 23d Inst. that you could draw on Messrs. Ricardos, who have received our orders to accept your Drafts. We add that you may be perfectly easy about the fate of your signature, which would not in *any case* be disgraced. We learn with much pleasure that you are getting on with the frigates, and we rely entirely on your zeal in getting the work forward as fast as possible. We have the honour, &c.

(Signed)

{ JEAN ORLANDOS,
{ ANDREAS LURIOTTIS.

TRANSLATION.

New-York, October 31st, 1825.

GENTLEMEN.—We have the honour of advising you that your two frigates progress rapidly, and that we entertain the hope that they will be ready for sea in four months at the furthest, our calculation is that the cost and outfits will amount to about five hundred thousand dollars each, which for prudence it will be well to call \$550,000 in your arrangements. When the amount of the Drafts already passed are deducted from the above sum there will be still a heavy amount to be drawn for, which is of the more importance as there now exists here a heavy and pretty general want of confidence, caused by the failures which have taken place in England; and prudence prompts us to come to a candid explanation with you. Our confidence in you, Gentlemen, is entire; we have never entertained the least doubt of your principles, of your promptness, or your means of providing for the payment of our disbursements; and we feel a pleasure in repeating our feelings in that respect. But we cannot forbear considering that, notwithstanding your honourable and good feelings towards us, a series of events might render it impossible for you to meet your engagements with us; and the brave Greeks may be checked by the contrivances and intrigues of their ill disposed neighbours. The public prints seem to dread that envy, malice, and despotical principle will triumph over courage, even sustained by the love of liberty. In the critical situation in which Europe is now placed we find ourselves necessitated to claim from you, Gentlemen, that you place us in such a situation as to banish all uneasiness as to our punctual reimbursement for all advances made and to be made in order to send the frigates to sea. We will continue to draw on the House or Houses you may direct, but we have to request you to make in the hands of our London friends such a deposit as will ensure at all events the payment of the drafts, and will enable us to suffer the vessels to depart without our waiting to hear the fate of our bills. We do not ask you to make an actual deposit if it would interfere with your arrangements; it will be sufficient for us to receive from our respective friends a guarantee of the present payment of all our Drafts. In order to fix the amount of the guarantee, you will please deduct from the probable amount of our disbursements say \$550,000 dollars, estimated at par for each vessel, the amount of our Drafts which are paid, and send us for half the balance a guarantee from Samuel Williams, Esq. in favour of G. G. & S. Howland; and for the remaining half, one from Messrs. Baring, Brothers & Co. in favour of Le Roy, Bayard & Co. We flatter ourselves, Gentlemen, that in reflecting on the motives which actuate us, you will admit that our demand is perfectly natural, and not in opposition with the feelings we have manifested towards you.

We repeat that your known honourable character and our confidence in your integrity, would render the precaution useless were the business of a private nature: but it becomes indispensable when we consider you as the *Agents* of a Government which struggles against a power and principles

which are calculated to enslave a nation ; though we cherish a hope that Greece will triumph, that hope will not suffer us, as commissioners intrusted with interests not their own. It is with a profound respect and the hope that you will do us justice, that we sign ourselves, &c.

MESSRS. JEAN ORLNADOS, (Signed) { LE ROY, BAYARD & Co.
ANDREAS LURIOTTIS, { G. G. & S. HOWLAND.
London.

" " We consider it our duty to inform you that we have entered into contracts for all the articles necessary for the armament and equipment, &c.

New-York, 23d. Nov. 1825.

TRANSLATIONS.

MESSRS. JEAN ORIANDOS & ANDREAS LURIOTTIS.

GENTLEMEN.—We have the gratification of informing that one of the ships was launched on the 18th, and the other will be so in 8 or 10 days, which will be only about 4 months since their keels were laid. This is greater dispatch than our most sanguine expectations led us to expect ; and what is still more gratifying, is that it is universally acknowledged that they are the two finest and most superior frigates in the world. Their equipment is in great progress, and every earthly effort shall be made to give them dispatch. A further amount being necessary to facilitate our operations, we have this day drawn on Messrs. Ricardos for the sum of £15,000; and our friends and neighbours Messrs. Le Roy, Bayard and Co. do the same ; and we beg that you will see due honour paid to our signatures.

General Lallemant will confirm the above by this opportunity.

Interim, Your's truly,
(Signed) G. G. and S. HOWLAND.

London, 21st Nov. 1825.

MESSRS. G. G. and S. HOWLAND.

GENTLEMEN.—We are favoured with your letter of 22d Oct. and take note of your Drafts for £10,000 on Messrs. Ricardo, which we will see honoured on presentation. In conformity with what we had the pleasure of writing on the 15th Oct. to your good selves and Messrs. Le Roy, Bayard & Co., you will perceive that we had anticipated your wishes as regards confirmed Credit ; and that we have placed at your disposal with Messrs. Ricardo, the sum of £12,000 ; so that your Draft will go against this Credit, and leave you £2,000 still to draw for.

We thank you much for your attention to the building of the frigates. It is of great importance that they should arrive in Greece before the opening of the approaching campaign : that we beg leave again to call your attention to our wishes for accelerating their departure. You will therefore please redouble (if possible) your care and activity, that not a moment may be lost in fitting them out.

The importance that these vessels will be in the Mediterranean is incalculable ; and we rely implicitly on your well known zeal for our cause, to hasten the completion of the work with all diligence.

We write by this opportunity, to Messrs. Le Roy, Bayard & Co. and to Gen. Lallemant, on the subject of their armament. In the arrangements made on this head, we doubt not that you have followed the tenor of our instructions : and we trust you will have paid particular attention to the character of the persons who are to form the crew. As our sailors begin to submit to discipline, and to understand the tactics, our Government would be pleased to

retain in their service, the officers and crew who came in her, who would consent to remain; and we beg you to take measures accordingly.

We remain, &c.

JOHANNIS ORLANDOS,
ANDREAS LURIOTTIS.

Letter of advice for Bill on them £12,000, 15th Feb.

New-York, 8 Feb. 1826.

MESSRS. JEAN ORLANDOS & ANDREAS LURIOTTIS.

GENTLEMEN.—We have the honour of confirming ours of the 7th and 8th, a copy of the latter of which precedes. We cannot refrain expressing our surprise at not having heard from you since the protest of our Draft, on your account, on J. & S. Ricardo, of 23d Nov. for £15,000. These latter gentlemen write us under date of 14 Dec. that they had had an interview with you on the subject of the frigates and their cost; and the result was, that one of the Deputies should come out here. This intelligence was very gratifying to us, as we have no doubt the visit would tend to remove the erroneous impression of the Messrs. Ricardo, as relates to the building of such vessels as we now have in hand. These gentlemen, in their letter of Oct. make mention of the cost of the frigates, and to oblige them gave them in reply the particulars of the expenditures; but the style of their last letter has prompted us to inform them that we could only view them as your bankers, and that in the business of the frigates, we only held ourselves accountable to you for our proceedings.

Your agent, General Lallemand, is also deprived of your letters; we have had several long conferences with him, the particulars of which he will give you.

We therefore think it useless to enlarge, especially from what Messrs. Ricardos write us we may soon expect to see one of you.

We reply under this date to those gentlemen, who will probably communicate to you the contents of our Letter. We repeat, &c.

LE ROY, BAYARD, & Co.
G. G. & S. HOWLAND.

It was then proved that after the joint efforts of Gen. Lallemand and the two Houses to purchase frigates ready for service had proved abortive; and after the reconnoissances, political and diplomatic, which the object and the occasion demanded; the agent determined to build two frigates; and opened a negotiation with Henry Eckford, a distinguished ship-builder, for building the frigates by contract for a gross sum. Mr. Eckford first offered to build them for \$437,000 each, with armament; one to be completed in 14, and the other in 18 months. 2d. For \$455,000 each, without armament or sea stores; one to be *launched* in January, and the other in April, 1826. 3d. For \$375,000 each, with single equipments, without armament or sea stores; one to be completed in 14 months, and the other in 18 months.

These propositions were all rejected, because they were deemed extravagant in price ; but more decisively, because the time required by M. Eckford, was much greater than the imperious necessity of the Greek cause would allow. Economy was important, but the utmost dispatch was infinitely more important.

Contracts were then made by the two Houses (with the approbation of Gen. Lallemand) with Christian Bergh, Robert Canley and John A. Westervelt, respectable ship-builders in this city, for building the ship *Hope* with all possible expedition. The terms were, that said builders were to commence the work immediately, were to employ their skill, and devote their time and best services in constructing the ship as master-builders ; they were to abandon all other work, and engage in no other business till the completion of the ship ; they were to select and employ the best workmen, and purchase timber as sub-agents of the Houses ; and to devote their extensive ship-yard with the work-shops, mould-lofts, tools and appurtenances, exclusively for the purpose of building that ship ; for which the Houses stipulated to pay them twenty-five thousand dollars.

A similar contract was made with Stephen Smith and John Demon, two other eminent ship-builders in this city, for the like services, and devotion of their skill and time, and for the exclusive use of their ship-yards, workshops, tools, &c. for the purpose of building the ship *Liberator* ; for which the Houses agreed to pay them the like sum of twenty-five thousand dollars.

The next object was to employ an officer of the Navy of the United States, of suitable rank and character, to superintend and inspect the operations and materials in building, equipping, and arming the two ships.

A contract was accordingly made with Capt. Wolcott Chauncey, which will be hereafter set forth.

Although the two Houses contracted jointly for the building and materials of both ships ; yet it was agreed between them, by the consent of General Lallemand, that Messrs.

Le Roy, Bayard and Co. should pay the bills, and keep the accounts for the ship *Hope* ; and that Messrs. G. G. & S. Howland should do the like in regard to the ship *Liberator*.

General Lallemand testified, that when he undertook the agency, it was understood that he was not to have any thing to do with the "*financial*" part : that his agency related to the "*executive*" part merely : that he stated this to the two Houses distinctly on his arrival here, about the 10th of April 1825 ; and he has invariably acted on that system. But the practice has been, for the Houses to inform him 10 or 15 days before they drew bills ; in order that he might apprise his Principals. His habit was to ascertain the amount advanced by the respective Houses previous to each intended draft ; and then to write to the Deputies, informing them of the amount, in order that they might provide and arrange their funds. The bills that were protested were drawn with his knowledge ; and he gave the usual previous notice of them to the Deputies. In the latter part of October 1825, the Houses informed him that they had received alarming news respecting the Greek funds ; they said it was the more embarrassing, because they had made all the contracts, and were bound to pay by the 1st of December then next : and they asked him to write to the Deputies, giving this information. He answered that he thought their request reasonable, and engaged to write accordingly ; which he did on the 1st of November, 1825 ; stating the facts and the reasons urged by the Houses. He showed the contents of that letter to the two Houses for their satisfaction ; which is the only one of his letters which he did show to them.

About the 1st of Nov. 1825, the Houses informed him, that the ships could not be permitted to depart, till they were paid or secured for all their advances and responsibilities : and in his letter of that date, he communicated that information to the Deputies. He communicated to his Principals the various proposals of Mr. Eckford, and the reasons for refusing them. He was unable to form a correct estimate of the whole cost of the ships ; but supposed

it would be much less than the 2nd proposal of Eckford, and even less than his 3d proposition; and that the ships would be much *sooner finished*.

The Houses informed him about the last of October 1825, that the ships would cost \$500,000 or \$550,000 each; and he then communicated it to the Deputies.

Mr. Contostavlos arrived here in April last, and witness immediately conducted him to the Houses. *Mr. Contostavlos* then applied to them for accounts of what they had received of the bills drawn; what they had paid; and how much remained to be paid; which accounts were furnished by the Houses, and were examined by *Mr. Contostavlos* with the aid of Captain Chauncey; and the witness also assisted in the examination. *Mr. Contostavlos* then said, he regretted that the Houses had not drawn their bills sooner for the whole sum; for then the ships would have been finished. Witness observed to *Mr. Contostavlos*, it was a pity that the Greeks should be ruined by *Ricardo's* misconduct; that *Ricardo* was endeavouring to provoke or draw a letter from the Houses, which would enable him (*Ricardo*) to get possession of the ships; that he (the witness) had advised *Mr. Bayard* to be very guarded in his letters to *Ricardo*; and that he (witness) had communicated to the Deputies the substance of *Ricardo's* letter to *Le Roy, Bayard & Co.* To which *Mr. Contostavlos* replied, "Your opinion of *Ricardo* is perfectly correct;" and he added, that he was the more convinced of it, because *Ricardo* had opposed his coming to America. *Mr. Contostavlos* said, *Ricardo* had told him that if they sent any more money to this country, they would never see the money nor the ships. *Mr. Contostavlos* also said that *Ricardo* refused to advance money for these frigates; because they should want all their funds to build Steam-boats for Lord *Cochrane*. He (*Contostavlos*) further said, that when the bills (afterwards protested) arrived there, *the Deputies urged Ricardo to pay them*: but he refused. *Mr. Contostavlos* said *the Deputies had done all in their power to have the bills paid; but they could not help the protests.*

The witness (General Lallemant) says, that during the 13 or 14 months since he arrived here, the Houses have acted with all possible activity, zeal, and fidelity, in these operations ; and they have acted throughout with his advice and co-operation ; and the houses were studious of economy in all their measures in relation to these ships. *Live oak* could not be procured ; and by his consent the ships were built of *white oak*. On his cross-examination : *General Lallemant* testified, that he made inquiries at Boston, Philadelphia, and Baltimore, in regard to the expense of building ships ; and found the comparison in favour of building in New-York. He said Mr. Eckford told him, that there were so many ships then building here, that these frigates, if built here, would cost one-third more than the Columbian frigates had been contracted for. And it was said that the increased amount of ship-building had produced a similar effect in the other ports of the United States. He said they hoped to build the ships for less than Eckford's proposals, but they made no detailed estimate of the expense by days' work. The object was to build as *quick* as possible, and that was a greater object than the expense.

Messrs. Howland objected to drawing on Ricardo, and wished to have the privilege of drawing on Samuel Williams ; because Ricardo was not much known here : but witness told them they must draw on Ricardo.

The witness (General Lallemant) says he expressed his opinion to the Houses, that they ought to draw for money as *seldom* as possible ; and to give notice as long time as possible ; so as to accomodate the Deputies in regard to their loans. But when he (the witness) heard that the funds in London were about to be applied to purchase steam-boats ; he advised the Houses here to draw as soon as they could, in order to expedite these ships : and he wrote to the Deputies urging them to place funds in the Bank of the United States : because, unless the funds were secure, the frigates would be retarded and detained. When he sent to the Deputies the estimate of the expense of the frigates : he informed them that *commissions were to be added*.

Soon after his arrival here, and before the contract for building the ships, he was informed by *Mr. William Bayard Junr.* that their commissions would be 10 per cent. for all expenditures in building the ships that they had received $12\frac{1}{2}$ per cent. on the Columbian frigates; and that the House of Le Roy, Bayard & Company, would not divide commissions with G. G. & S. Howland. Witness asked him “are those your definitive terms?” To which Mr. Bayard answered “they are.” Witness made no reply, because he did not consider himself authorized to contract for commissions; and he supposed it would be a subject of ulterior arrangement, to be settled by the Committee, consisting of the two Houses, Captain Chauncey and himself; and would depend on the nature of the operations. He never gave any explanation of his views on that subject to the Houses; and the subject was never mentioned afterwards, till this controversy arose. He never communicated this conversation (about commissions,) to the Deputies. It was verbally agreed, between the Deputies and himself, that the frigates should be the *strongest* of the *first Class*; sufficient to contend with *Turkish Seventy-Fours*.

The Counsel for the Greek Deputies, at this point of the evidence, expressly admitted to the Arbitrators, and the opposing Counsel; that the Deputies were chargeable for the actual fair and reasonable cost of the frigates; but they objected to the commissions as excessive.

John Demon, a witness for the Houses, one of the firm of *Smith & Demon*, testified that he and his partner contracted with the two Houses, with the concurrence of General Lallemant, for building the ship *Liberator*: a contract was written, but he thinks never signed. The terms were, that Smith and Demon were to furnish their ship-yards, workshops, blacksmith's shop, mould-lofts, and tools; for which, and for their personal services and skill, as master-builders, they were to receive \$25,000; and were to quit all other work, and to engage in no other business, till the ship was built; all the materials were to be paid for by the two

Houses ; and the builders, without further compensation, were to purchase the materials, and employ the best workmen ; and every possible exertion was to be made to expedite the work. Under this contract the ship was built : and he is of opinion, they would have made more by other business ; especially when it is considered, that they were obliged to turn away, and lose other regular employers. Every thing was done in the most economical manner, and they could not have built such a ship by contract, for less money than she cost. Wages were much higher last summer than usual ; they increased during the last season, at least one-third above common price. The builders declined making a contract for any sum in gross ; it was too hazardous. Materials were nearly double the present prices, and much higher than in any former year. Very difficult to procure timber of sufficient size. There were many large ships more than common, built last year, in Philadelphia, Baltimore, &c. as well as in New-York. Live oak could not be procured in season to build these ships. Greatest possible dispatch was insisted on by the Houses. The *Liberator's* keel was laid 16th July, 1825, and she was launched on the 19th November following. Has never known such a ship built in so short a time, or any thing like it. No possible effort was spared to build the ship as soon, and as well as possible. Mr. G. G. Howland paid all the bills.

On cross-examination, he said, the builders had on hand when they made the contract, a considerable quantity of materials, which they furnished for the ship by fair appraisement : other materials were purchased by the builders according to directions. Gave no estimate of the probable cost of the ship. Did not know that *Eckford* had offered to contract for the ships. He told Mr. Howland they might possibly launch the ship in January last, but perhaps not till spring following. Price of materials and wages were very high when they began, and rose very much during the work. A contract for all the timber could not be made at the commencement of the work. He went to Connecti-

cut and up the North River to procure timber. Copper rose during the summer. The usual profit for their personal services, and the use of their ship-yard and shops &c. is not so much as \$25,000 per year, in ordinary seasons. This contract required extraordinary exertions and diligence. Their yard was found not spacious enough for these operations ; and they had to buy an additional piece of ground for the use of this ship ; for which nothing was charged to the Houses. The Houses visited the yard very frequently, to oversee and advise about the ship : as often as twice or three times a week : and the builders saw Mr. G. G. Howland every day on that business. Captain Chauncey superintended the planning of the ship, and attended to inspect the materials and to see the work well done. The builders had the immediate oversight and direction of the labourers ; and they hired the workmen, and retained nothing out of their wages. Thinks Messrs. Bayard gave not as much personal attention to this ship (*Liberator*) as Mr. Howland. A small proportion of the work of the ship was done after she was launched. The materials were paid for when delivered at the yard. The overplus timber and refuse was appraised and taken by the builders, and credited in their accounts with the houses. *Direct Examination.*—The builders actually declined all other work for their old customers ; and they have for that reason, lost rather than gained, by this contract. He never saw a ship better built, nor built with so much dispatch. Commodores Chauncey, Bainbridge, and Jones came on board about six weeks ago, and examined the ship very particularly. *Cross Examined.*—He says it is very unusual to build vessels in this port by days' work. The ship was built of best white oak ; about half well seasoned, and half green timber ; the knees were all seasoned. She was thoroughly salted with several thousand bushels of salt, filling all vacant spaces. If Eckford had contracted, he could not have obtained seasoned timber.

Captain Wolcott Chauncey.—General Lallemant applied

to him to superintend the ships. He declined, till he could consult the Government at Washington. They assented, and gave a furlough which suspended his pay as an officer of the Navy; and then he agreed with General Lallemand and the Houses, according to a written contract, which he produces, and it is as follows :

It has been judged indispensable that an officer of experience of the United States' Navy, should be charged with the superintendence of the building, equipment and armament of the frigates ordered for the Government of Greece, and with the direction of all the works relating to them, until they shall be ready for sea.

The purpose of adopting this measure is to establish system and regularity in the various parts of this operation, which is to be carried on according to the principles adopted by the Government of the United States, for the construction, equipment and armament of its ships of war.

Captain Chauncey has been chosen to exercise this superintendence of the construction of these frigates, ordered for the Government of Greece; and he has accepted this commission.

In consequence, the contracts made for the building of the two frigates, have been communicated to him. He shall immediately inform himself of every thing which has been done; he shall proceed to examine every thing which has been furnished; he shall make report of the quality of the timber and other articles, and on the existing state of things in detail.

For the future, every proceeding taken shall be settled by Capt. Chauncey, and presented by him to be examined in Committee.

All the proposals for the various supplies shall be received under seal, and addressed to the office which shall be appointed. They shall afterwards be examined in Committee, in order that the furnishing of the supplies may be given to those whose offers shall be deemed the most advantageous, all things considered.

It shall be the duty of Captain Chauncey to present models, plans and descriptions of every thing to be furnished for the building, equipment and armament of the two frigates, never leaving out of view, that every thing is to be conducted according to the principles adopted for the building, equipment and armament of the ships of war of the United States.

It shall especially be the duty of Captain Chauncey to examine and approve every article of every description to be furnished for the two frigates; he shall allow of no articles which shall not conform to the models, plans and conditions prescribed; and he shall make report as to the observance of this provision.

The object of the superintendence confided to Captain Chauncey is to establish uniformity (*l'ensemble*) regularity, expedition and economy in the building, &c of the two frigates. This superintendence, therefore is to be exercised over every department of the operations, the work, the supplies, the employment of the funds placed in the hands of the builders, and the system of accountability to be established on this subject.

Consequently nothing is to be delivered to the builders, nor any payment made to them, but on Captain Chauncey's order.

In satisfying himself that the builders employ the number of workmen necessary for the greatest possible expediting of the operations, Captain Chaun-

they shall examine the propriety of the wages to be allowed the workmen and take care that they be regularly paid off at stated periods by the builders.

Captain Chauncey shall have an office as near as possible to the ship-yards where the ships are building; so that the builders may confer with him every day at stated hours and whenever it shall be necessary.

All the proposals relative to the building, equipping and arming of the two frigates shall be addressed to this office.

A meeting in Committee shall take place three times a week on stated days and hours; and at the first meeting in every week, Captain Chauncey shall make his weekly report on every subject of the superintendence committed to him; that is to say, on the progress of the work, the fulfilment of the plans and contracts, (marchés) and the payment of the workmen.

Captain Chauncey shall devote the employment of all his time, talents and experience to the commission which he has accepted. He shall exercise the superintendence with which he is charged, and shall fulfill all its duties with the exactness which an officer of the navy of the United States ought to display in performing the duties of his service in the Navy.

The success of an operation of the deepest interest to a just and sacred cause is reposed on the character and zeal of Captain Chauncey.

As a compensation for his time, his services, and the sacrifices made in accepting his present employment, Captain Chauncey shall be allowed the sum of Ten Thousand Dollars, for his superintendence of all the operations relating to the building, equipping and arming of the two frigates until ready to sail. Of this sum Five Thousand Dollars shall be paid to Captain Chauncey by the house of Le Roy, Bayard, and Co. and Five Thousand Dollars by the house of G. G. and S. Howland by the funds placed at their disposal by the Greek Deputies at London.

In case Captain Chauncey shall, in consequence of any resolution in Committee, make any journies from New-York, he shall be allowed for his indemnity five Dollars a day for every day's absence.

Captain Chauncey further testified that the ships were to be ready for sea by 1st March 1826. He exerted himself as much as possible to build the ships as soon, and with as much economy as possible. Don't believe that so good ships, of equal size, were ever built on the Atlantic. in so short a time. Has never witnessed more active exertions, more strict regard to economy, nor more fidelity, than were evinced by these Houses, in the building and equipping these ships.

Carpenter's wages about 1st July 1825, were from 12s to 13s per day; and, in consequence of the great amount of ship-building, carpenters' wages rose soon after to 13s and 20s per day; and a corresponding rise took place in the wages of all other mechanics and workmen employed about ship-building:

Prices of materials also were much higher than usual ; and extra allowances were frequently made for extraordinary exertions of the workmen. He inspected all the timber that was used ; and so far as he observed, the utmost economy was used in purchasing materials. All ships for our Government are built under the immediate superintendence of a naval officer of suitable rank and experience. He estimated the whole expenses of each of the ships fitted completely for sea, (about 1st September 1825,) at \$515,000 exclusive of commissions. About 2nd Dec. 1825, his estimate was \$523,000, without commissions.

On 3d Feb. 1826, his estimate was \$508,099, including extra armament and equipments, and not including commissions.

Thinks the frigate *Brandywine*, when equipped and furnished for sea, cost \$400,000 and upwards.

The contracts for materials for building these ships were made judiciously, and according to the rules and mode practised by the Government of the United States. It will require \$86,000 to complete the equipments, with stores and provisions for a crew of 200 men for 4 months, or 150 men for 6 months, not including pay of officers and men.

He would not have retired from the regular active service on furlough, and undertaken the charge of these ships for less than the stipulated sum of \$10,000. *Captain Rogers* of the United States' Navy refused to do it, for that allowance.

Materials were considerably lower in April and May, when *Eckford* made his proposals, than in July, and the whole season afterwards.

All contracts were submitted to the Committee and approved by them before signed ; but in many instances verbal contracts were made and part performed, before written contracts were signed : but no monies were paid till the contracts were agreed to by the Committee and reduced to writing.

Jacob A. Westervelt, ship-builder, partner of *C. Bergh* in building the *Hope*, testified that *that* ship was built as cheap,

and as soon as it was possible to do it. Le Roy, Bayard & Company were constantly attentive, and seemed very anxious to promote economy, as well as dispatch. Wages in the ship-yards were much higher last year than he has ever known : in some cases 100 per cent. more than usual.

Timber was unusually scarce and dear. There were four ships of nearly the same class built here last season. Captain Chauncey was active and very faithful in superintending, and inspected every thing. Thinks he and his partner have lost rather than gained by the job, at \$25,000 for their skill, services, and exclusive use of their ship-yard and shops.

Cross-examined, says Messrs. Bayard and Howland visited the ship as often as three or four times a week on an average.

Le Roy, Bayard & Co. paid the bills for the *Hope*.

Direct.—He and his partner have often built ships for Le Roy, Bayard & Co. ; and they were never half so attentive to any ship as to this. The keel of the *Hope* was laid on the day of July, and she was launched about the 1st day of December following.

General Lallemand, testified that he requested of the Houses that all the armaments and stores from Georgetown might be insured ; and he understood, that about \$5000 worth of shot had been lost by shipwreck, and that it was not insured. The reason assigned for the omission was, that the Houses here did not know in season, when, or on board of what vessel the shot was shipped.

Commodore Isaac Chauncey, testified that he was one of the commissioners appointed by the Government, to examine and appraise these ships a few weeks ago ; and he performed that service in conjunction with Commodores Bainbridge and Jones. Has never known ships to be built in less time than these, on the Atlantic. It must have cost great extra exertion, as well as much extra expense. Wages were increased here last season, from 12s and 14s to 18s and 20s per day. He then had charge of a ship, building for United States, at the Navy Yard at New-York.

Materials were raised in price, about in the same proportion as wages ; and the necessary haste in building these ships, must have enhanced the expense of procuring materials.

These ships were well built : and they are of the very first class of frigates.

The *Liberator* was thought rather the best ship, but no material difference between her and the *Hope*. They are full as large and perhaps larger than the *Brandywine*, and equal to her in every respect ; except that she has a live oak frame, and these ships have white oak frames. The ordinary difference in price between live oak and white oak is from \$25,000 to \$30,000, for each ship. Thinks the extra expense of building these ships in so short a time, at that particular season, was from 25 to 30 per cent. more than ordinary. Thinks these ships as efficient as any of the frigates of the United States : and thinks the salting will preserve them longer than is commonly supposed. *Bergh* and *Smith & Demon* are builders of first reputation for skill and integrity. These are as good ships as ever were built in a private yard. The public statement of the cost of the *Brandywine* (\$273,000) does not include her masts, spars, sails and rigging : she could not wait for them to be made, and they were taken from another ship, to which they stand charged. Government contracts for timber, *cut to moulds*, in which there is a great saving. Is of opinion that the ships could not have been built in so short a time, nor with so small expense in any other port of the United States.

If the same expedition had been continued after the ships were launched, as before ; they might have sailed in February or March, 1826.

General Lallemand again called, says that when he, from time to time, wrote to the Deputies, as to the amount expended for the ships, he did so upon statements made to him by the Houses, and from accounts kept by Captain *Chauncey*.

On the 12th day of July, *Robert Sedgwick, Esq.* opened the cause on the part of the Greek Deputies : and with-

out any *previous* intimation of such a course, insisted that the instructions by the Deputies to the two Houses and General Lallemand forbid any operations or expenditures, without the concurrence and consent of our Government, or contrary to our laws: that the Houses have violated those instructions in that particular; and have kept the Deputies in ignorance of the illegality of equipping and fitting out these belligerent ships. The enterprize was forbidden, under penalty of forfeiture, and by the act of Congress 20th April, 1818: and the Deputies have therefore a right to abandon the contract, and recover back all the monies paid by them, with interest; and the ships are to be regarded as a mere pledge under the submission, for the repayment of the money. But he offered to wave this ground, upon condition that Captain Chauncey's compensation be deducted from the commissions of the Houses; that the commissions be reduced to $2\frac{1}{2}$ per cent. for whole expenditures, and 1 per cent. for drawing bills; and that the allowance to ship-builders be reduced to a reasonable sum; and that all other claims should be abandoned by the Houses.

He objected to the Commissions *in toto*; because Captain Chauncey and the builders had performed the services, had earned the commissions; and had been richly rewarded.

If commissions were to be allowed to the Houses, they ought not to exceed $2\frac{1}{2}$ per cent. with $2\frac{1}{2}$ per cent. for drawing the bills; according to the regulation of the Chamber of Commerce in this city.

He objected to the item of law-charges as extortionate, &c.

He objected to the claim for damages on the protested bills, because those bills were not drawn and sold in the usual course of mercantile business; but were remitted on account of the Houses to their own agents in London, *Barings* and *Williams*, for account of the drawers themselves; and because they had no right to draw those bills.

He denies that *Le Roy, Bayard & Co.* are entitled to

damages on bills drawn by them on Baring & Co. in faith of bills drawn by them on Ricardo and payable to Baring & Co.

As to amount of cannon shot lost, the agents ought to bear the loss.

He objects to any commissions on articles sold and furnished by Le Roy, Bayard & Co. for the ships.

Claims benefit of an Interest account.

Denies the right of G. G. & S. Howland, to charge for £7,500 sterling, lost by the bankruptcy of their agent Williams.

Objects to the rate of exchange credited by the Houses.

Henry D. Sewall, Merchant, a witness for the Deputies, testified that the usual commission for disbursing money in repairing ships is $2\frac{1}{2}$ per cent. If goods are consigned to several Houses jointly, and part sold by one and part by the other, no more than one commission of $2\frac{1}{2}$ per cent. is usually charged. If the factor draws bills instead of receiving the money, it is usual to charge 1 per cent. on the bills. Refers to the regulations of Chamber of Commerce. *Cross-examined*—On foreign business, he thinks 5 per cent. commission a justifiable charge; though he thinks it good policy generally to charge less. If he drew foreign bills to reimburse for advances, he should think himself entitled to $2\frac{1}{2}$ per cent. commission on the bills. in addition to the 5 per cent. for the purchases. If he were to divide the business with another house here, no more than single commission would be charged. He would not engage to build a frigate for a foreign Government without guaranty. It is a business aside from all mercantile usage. If he had the security of a House of first respectability, he would charge 5 per cent. for building a ship.

According to mercantile usage, no more than 5 per cent. is charged for extra risks; without express stipulation.

Direct.—If he had funds in hand, he should think he had a right to charge 5 per cent. commission, but that he should allow Interest.

William W. Russel, Commission Merchant, witness for Deputies, testified that usual commission is $2\frac{1}{2}$ per cent. for disbursements, and $2\frac{1}{4}$ per cent. for drawing foreign bills for reimbursements. In case of joint consignees, there is but one commission. He has in one case charged 5 per cent. on expenditures, and $2\frac{1}{2}$ on the bills. When there are two consignees they divide the commission.

George W. Talbot, Merchant, witness for the Deputies, testifies that he charges commission on purchases of goods at $2\frac{1}{2}$ per cent. and 5 per cent. for repairing vessels : independent of drawing bills. There cannot be two commissions on the same agency.

James King, Merchant, witness for the Deputies, testified that usual commission with funds in hand is $2\frac{1}{2}$ per cent. ; without funds 5 per cent. without risque. When 5 per cent. is charged, has never known commission charged on drawing bills to reimburse.

If he were to draw on his principal (having a right to draw) payable to the agent of the drawer, and then should draw on his agent against the first bill ; and the second bill were protested on account of the dishonour of the 1st bill ; he would consider it as tantamount to a protest of the first bill, in regard to damages.

John J. Palmer, Merchant, witness for the Deputies, testified that ordinary commission for building and repairing ships was 5 per cent. ; on goods, only $2\frac{1}{2}$ per cent. There are very few other houses in New-York who have the means for such an agency as this. He would charge $2\frac{1}{2}$ per cent. for drawing bills.

Jonathan Ogden, Merchant, a witness for the Deputies, testified that usual commission for disbursements in fitting out ships, is 5 per cent. without funds in hand ; that is, $2\frac{1}{2}$ for the expenditures, and $2\frac{1}{2}$ for drawing bills. Was never employed to build a ship.

George Barclay, Merchant, witness for the Deputies, testifies that the usual commission for disbursements is 5 per

cent. when he draws bills for reimbursement. The house of *Ricardo* is very respectable. If he had a confirmed credit, he should charge 5 per cent. for building a ship for a foreign correspondent.

John R. Heard, Merchant, witness for the Deputies, says commissions vary from $2\frac{1}{2}$ to 5 per cent. for disbursements, independent of drawing bills. Commission always divided where several consignees.

George Brinkerhoff, Counsellor at Law, a witness for the Houses, says he was employed to draw the various contracts for building the ships : his account for law charges was \$800, which included a Counsel fee of \$50 for himself ; and a like sum paid to J. Kent, Esq. as a Counsel fee ; which Counsel fees were for advice generally in regard to the powers and duties of the Houses ; also the effect of the protested bills, drawn by G. G. & S. Howland on Samuel Williams ; and also as to the legality of the enterprize, under the laws of the United States. It was about the time that the first bills returned protested.

Peter Harmony, Merchant, witness for the Houses, says the ordinary commission for building a ship here is 5 per cent. He has refused to do it for that, even where an agent was sent out to superintend the building. If he drew foreign bills to reimburse, he should charge $2\frac{1}{2}$ per cent. more. If such a commission were given to him and another agent, he should consider each as entitled to full allowance of 5 per cent. where they were jointly bound by contracts. He should consider an agency of this kind under a foreign Government, as entitled to much larger commission than if it were for an individual : and he would not undertake such an agency as this, at any rate of commission ; because he considers it altogether more hazardous and difficult, than a mere commercial agency.

Christian J. Burckle, Merchant, a witness for the Houses, proves the signature of John P. Elbers, to a contract for a Columbian frigate : which was read. (We have it not.) Witness has a commission of 10 per cent. for repairing a ship

for a foreign Government now on hand ; and would not do it for less for any Government. For this agency no commissions would have tempted him to undertake to build such ships as these, under such circumstances. He thinks it was worth more than 10 per cent. besides $2\frac{1}{2}$ per cent. for drawing the bills. He has had occasion to see and examine several accounts for building ships of war for Columbia ; and the commissions charged and paid, were from 10 to 30 per cent. upon the cost. He would not have built these ships for the Greek Government upon a confirmed credit on Baring & Co. for less than 10 per cent.

William C. Wallace, a witness for the Houses, says, that he was sent by the Houses to Georgetown to receive cannon shot. There was shipped at that place about March 1st 1826, \$6,506 $\frac{4}{10}$ in shot. He wrote to Le Roy, Bayard & Co. informing of the shipment, and inclosed a bill of lading ; put the letter into the post-office at Georgetown or Washington the same day ; but thinks it was after the ship had sailed for New-York, not insured.

Cross-examined, says there were two other shipments of shot which were insured. This vessel ("the Exchange") was lost on the coast of Maryland in March 1826.

By consent, *G. G. Howland* and *Wm. Bayard, Jun.* were sworn, and they severally testified that they never received and have no knowledge of the letter mentioned by last witness ; and never had any intelligence of the shipment of the shot, till they heard of the loss. They expected the shot would be shipped ; but had no particular vessel in view, and could not name any to the Insurance offices.

James Boorman, Merchant, a witness for the Deputies, says the regular commission on purchases of goods is 5 per cent. and single commissions only in case of consignment to two persons.

Samuel Hicks, Merchant, a witness for the Deputies, says the usual commission for building or repairing vessels is $2\frac{1}{2}$ per cent. for advances, and $2\frac{1}{2}$ per cent. for drawing bills. In contracting with a foreign Government, he should think

it more hazardous : and he would not contract for a *ship of war* for any commissions : would not contract for so large amount : but if he did undertake, would not think it right to charge more afterwards.

Lewis Atterbury, chief clerk of Le Roy, Bayard & Co. a witness for the Houses, explains and accounts for an error of \$1000 in the account furnished Mr. Contostavlos, in June last. The account on its face professed to be imperfect, and several items were "estimated," and there were outstanding accounts which could not then be adjusted : the aggregate of that account was \$396,851 $\frac{66}{100}$. At the hearing, a complete account was rendered, containing several items not in the first account, and the sum of £1000, which by inadvertence and mistake of the witness had been inserted in the first account, was omitted in the correct account last rendered, which explanation was admitted at the hearing to be satisfactory : and that \$1000 was not allowed to Le Roy, Bayard & Co. in the award. The account so last rendered was adjusted at \$397,569 $\frac{91}{100}$.

George Griswold, Merchant, witness for the Deputies, says the usual commission for selling goods is 2 $\frac{1}{2}$ per cent. and 1 $\frac{1}{2}$ per cent. for drawing bills on confirmed credits ; but practice is variable. Commission for repairing vessels is more than on sale of goods. For building ships and drawing bills to reimburse, 5 per cent. ; when two persons execute an agency, they divide the commissions ; each takes half.

Alexander Contostavlos, the Greek agent, a witness for the Deputies, testified that he arrived in London from Greece on the 28th or 29th day of January, 1826. The Greek Deputies then informed him they had only about £250,000 in scripts, worth about £50,000 sterling. They said they were dissatisfied with the expenditures here. They ordered *Ricardo* to accept no more bills, and they gave him positive instructions to that effect.

On cross-examination, he was asked how he could reconcile the testimony now given by him, with the statement he made to General Lallemand and the two Houses, on his arri-

cal here! With much embarrassment, he admitted, that the statement he then made (to General Lallemand and the Houses) was untrue; and he said he was induced to make such false statement, because he thought it would promote the object of his mission.

Inventories, accounts and vouchers were examined and discussed in a manner, and to an extent which cannot be detailed in this Report.

No other witnesses were produced on either side.

The evidence being now closed, a question arose whether the Houses or the Deputies were to be regarded as claimants or plaintiffs, so as to be entitled to the closing argument. The Arbitrators were unwilling to express any opinion preliminarily, on any question, upon the merits: to wit, whether the Deputies had a right to abandon the contracts and recover back the money paid? It was therefore decided that the privilege of the closing argument should be determined by lot: and it fell to the Deputies.

Mr David B. Ogden then argued for the Houses. He was followed by *Mr. Henry D. Sedgwick* for the Deputies. *Mr. Emmet* then replied for the Houses; and *Mr. Duer*, for the Deputies, concluded the argument.

The *illegality* of this enterprize was strongly urged on the one side, and denied on the other; and after *Mr. Emmet* had finished his argument; and in the morning when *Mr. Duer* was about to address the Arbitrators, it was perceived that several persons came into the room as auditors; and it was intimated that many others were expected to attend, to hear the interesting argument of *Mr. Duer*. The Arbitrators then said, they had a private Communication to make to the parties and their Counsel. Upon which intimation, all other persons withdrew.

The Arbitrators then stated that one avowed object of *Mr. Duer's* argument would be to show the *illegality* of the enterprize; and that the ships were liable to seizure and forfeiture, for having been built and equipped in violation of the Act of Congress: that in the opinion of the Arbitrators, such an argument ought not to be addressed to the public ear: that

it would provoke, and compel the officers of the Government to enforce the law ; and would tend to invite common informers : that if the Government had thus far winked at the proceeding, and lent their indirect aid to the enterprize ; it would be ungrateful and dishonourable in the parties for whose benefit it was intended, to expose the conduct of the administration ; and that it was a delicate question, as between our Government and foreign nations. The Counsel for the Deputies, however, insisted that the discussion ought to be public, because the Counsel for the Houses had assailed the character and conduct of Mr. Contostavlos. The Arbitrators decided that no persons should be admitted as auditors, except those who had been present during the argument of Messrs. Ogden and Emmet, and those who had attended as witnesses during the hearing. In truth, our meetings had never been public ; except that the witnesses occasionally remained some time to hear the discussions ; and several gentlemen were introduced by the respective Counsel on both sides, by special permission of the Arbitrators ; and about as many persons attended during the argument of Mr. Duer, as at any former period.

The arguments of Counsel were concluded on the 22d July ; the hearing having continued with the utmost diligence from the 28th June inclusive. The time limited for making the award, had been twice extended by consent of the parties ; the Arbitrators were now obliged to complete their award, by the 27th July inclusive : and the utmost impatience of all parties urged us to the task.

At the conclusion of the argument it was mutually agreed by the Counsel, that the accounts and vouchers for several items, and particularly for the current expenses of the ships, might be afterwards presented to the Arbitrators ; due notice being given to the opposite Counsel, or one of them.

Neither of the Counsel appeared afterwards before the Arbitrators ; but in pursuance of the above arrangement respecting the accounts, the following written communications were made.

New-York, 24th July, 1826.

Messrs. H. D. and R. SEDGWICK.

GENTLEMEN.—In reply to your note of this morning, we have to state—that the accounts left with us, were all handed to the Arbitrators before they met this morning, under the impression that such a disposition of them was intended by you.

The only variation of moment, was in the value at which you charged, and at which we credited the bills; and in the interest.

Respectfully,

Your obt. Servants,

LE ROY, BAYARD & Co.

To the Arbitrators.

ANDREAS LURIOTTIS

with

LE ROY, BAYARD & Co.

G. G. & S. HOWLAND.

The amount of Captain Chauncey's vouchers as handed to us is \$12,801 77

Amount of Requisitions 14,000 00

Deficiency 1,198 24

Mr. Hoffman (Captain Chauncey's clerk) called and stated that he did so by request of Mr. Howland. He stated Captain Chauncey's vouchers at a smaller amount than the above, and that he could send a certificate to that effect, but he has not done it.

July 25, 1826.

H. D. & R. SEDGWICK.

To the Arbitrators.

You will find inclosed our bill of after disbursements, made up as correctly as it is in our power to do, and which we believe embraces every thing; still we hold ourselves as well as the other party bound for the correction of errors. Mr. Ogden has taken Captain Chauncey's account to the Messrs. Sedgwicks, and promises to send it to you by nine o'clock in the morning; and if the Messrs. Sedgwicks have any objections to make, they no doubt will present them in due time.

We have just seen a letter from the Messrs Sedgwicks, objecting to our charge of $\frac{1}{2}$ per cent. for effecting the marine insurance; and stating also, that they *suppose* the same charge is made on the Fire Insurance, which is *not correct*. As it regards *our* charge, you are well aware that $\frac{1}{2}$ per cent. for effecting Insurance, is the usual rate in all cases, and what we are fully entitled to.

Very respectfully yours,

G. G. & S. HOWLAND.

New-York, Wednesday 26th July, 1826.

To J. Platt, for Arbitrators.

Messrs H. D. & R. Sedgwick feel it to be their duty to inform the Arbitrators, that on pointing out to Mr. G. G. Howland since the hearing was closed, what they supposed a mistake in his account in an item for insurance of the armament, he (Mr. G. G. Howland,) explained it by saying that it included a charge of $\frac{1}{2}$ per cent for effecting the insurance on the amount insured.

This is the first information the 'counsel of Mr. Contostavlos had that the accounts contained such a charge, not having seen the policies until nearly the close of the hearing.

It is presumed that the Fire Insurances, which were repeatedly renewed, contain the same charge; and if so, the charge of 10 per cent. on the disbursements includes the $\frac{1}{2}$ per cent charged as above.

We object to any charge for effecting insurance.

Mr. Duer is confined at home, or would undoubtedly unite in this statement, of which a copy is sent to Mr. Ogden.

Dated July 26, 1826.

Messrs. H. D. & R. Sedgwick present their respects to the Gentlemen Arbitrators, and beg to acknowledge that they have been informed since writing their note of this morning, respecting the charges on Insurance, by Mr. D. B. Ogden, that no charge was made by the Messrs. Howlands for effecting the Fire Insurances. It is presumed that none was made by Messrs. Le Roy, Bayard & Co.

July 26, 1826.

JONAS PLATT,
H. C. DE RHAM, and } Esquires.
ABRAHAM OGDEN,

The enclosed account was given to me by Mr. Howland yesterday afternoon, who had, I believe, first received it from Captain Chauncey. I immediately handed it, or a copy of it, to Mr. Robert Sedgwick, and told him it would be presented to you that morning, and that he might send such remarks upon it to you as he thought proper.

With respect,

Yours, &c.

D. B. OGDEN.

Thursday Morning, 27 July.

To the Arbitrators.

Mr. D. B. Ogden, having handed to H. D. & R. Sedgwick, the account of Captain Chauncey, with an intimation that it would be handed to the Arbitrators to-morrow morning, and with a request, that they would make such remarks in relation to it as they should deem proper—Messrs. H. D. & R. Sedgwick beg leave to observe:

1st. That they do not consider the Greek Deputies in any view of the case, chargeable with any amount paid to Captain Chauncey, for disbursements beyond what he has produced vouchers for heretofore, and may now produce. This was repeatedly assented to by Messrs. Bayard & Howland, and their Counsel before the Referees.

The amount for which vouchers were thus presented, prior to the close of the hearing, was according to the present statement . . . \$12,133 46

To which is to be added, according to the present statement,
(if the vouchers are produced.) . . . 358 75

2d. It is to be observed, that Captain Chauncey credits \$15,000 for disbursements: whereas Messrs. Le Roy, Bayard & Co. and Messrs. G. G. & S. Howland, charge but \$11,000. The Arbitrators will recollect the mistake

of an overcharge of \$1000, in the account of Messrs. Le Roy, Bayard & Co. on this account, which was explained by Mr. Atterbury's testimony.

3d. We know not by what authority Captain Chauncey charges for his services from the first of March.

It is not authorized by the contract. There was no limit fixed thereby for the duration of his services.

New-York, July 26, 1826.

We here remark, that these communications impliedly admit the parol agreement made on the first day of the hearing; that all current expenses accruing after the date of the submission, were to be paid by the Houses; and were to be presented in their accounts, and to be included in the award.

With a perfect devotion of their time and faculties, the Arbitrators were enabled to complete the award at the close of the day limited for that purpose. But they then felt occasion to deplore the necessary haste, which compelled them to adjust the balances of such large and complicated accounts, without reasonable time for critical accuracy in all the minute details; and their embarrassment was much increased by the fact, that some of the accounts were not, and could not, be made up and rendered, till the last day for completing the award.

At 9 o'clock in the evening of the 27th July last, the award was published, and copies delivered to the respective parties. It is as follows:—

(After the formal part and Recitals.)

Now Know Ye, That we the said arbitrators, whose names are hereunto subscribed, and whose seals are hereunto affixed, taking upon us the burthen of the said award, and having fully examined and duly considered the proofs and allegations of the said parties, do make and publish this our award between the said parties, in manner following: that is to say, *First*, we do award and order that all actions, suits, quarrels, and controversies whatsoever, had, moved, arisen, and depending between the said parties, in law or equity, for any manner of cause whatsoever, touching the said premises, to the day of the date hereof, shall cease and be no further prosecuted; and that each of said parties shall pay and bear their own costs and charges in any wise relating to or concerning the premises.

Secondly, we do award, adjudge, and determine, that there is justly due from the said Johannes Orlandos and Andreas Luriottis, to the said William Bayard, William Bayard, Junior, and Robert Bayard, the sum of seventy-five thousand nine hundred and thirty-three dollars and eighty-one cents.

Thirdly, we do award, adjudge, and determine, that there is justly due from the said Johannes Orlandos and Andreas Luriottis, to the said Giordano C.

Howland and Samuel S. Howland, the sum of eighty thousand nine hundred and twenty-two dollars and fifty-two cents.

Fourthly, we do award, adjudge, and determine, that from the avails of the said ship or ships, and their tackle, apparel, furniture, and equipments, and other property contained in said assignments, or such part thereof as shall be sold by us, pursuant to the terms of the said submission, there shall be first deducted the sum of four thousand five hundred dollars, for our own costs and charges for our services, as arbitrators in the premises, to be equally divided between us; next, there shall be deducted from said avails, all incidental expenses of keeping, guarding, preserving, and insuring the said ships and other property, and all other incidental expenses relating thereto, until the sale or delivery thereof; and of the residue of said avails, the aforesaid balances due to the said houses of Le Roy, Bayard & Co., and G. G. & S. Howland, respectively, shall be paid; and if from any cause, the surplus avails of said ships and property, so to be sold, shall not be adequate to the payment of said balances in full, then the said houses shall be entitled to *pro rata* shares of said surplus.

Fifthly, we do award, order, adjudge, and determine, that after paying and satisfying the aforesaid costs, charges, expenses, and balances, such part of said ships and property as shall remain unsold, together with any balance of money in our hands, (if any,) shall be delivered to the said Johannes Orlandos and Andreas Luriottis, or their agent, as their absolute property, free from all claims whatsoever on the part of the said houses of Le Roy, Bayard & Co., and G. G. & S. Howland, or either of them.

Sixthly, we do award and order, that upon payment of said balances so as aforesaid ascertained to be due to the said houses of Le Roy, Bayard & Co., and G. G. & S. Howland, respectively, the said houses shall jointly and severally enter into a written engagement to save harmless, and indemnify the said Johannes Orlandos and Andreas Luriottis, and their heirs, executors, and administrators, of, from and against all claims and demands, for services rendered, or materials furnished, towards the building or equipment of the said ships, or the keeping, guarding, or preserving the same, up to the date hereof; and against all and every lien or liens on said ships, or either of them, for such services or materials.

Seventhly, we do award, order, adjudge, and determine, that upon the payment of the aforesaid balances so ascertained to be due to the said houses respectively, the said parties shall mutually execute releases to each other of all causes of action, claims and demands, in law or equity, touching or concerning the premises aforesaid, from the beginning of the world until the said twenty-third day of June last.

Eighthly, we do award, order, adjudge, and determine, that if from any cause or accident whatever, the fund now provided shall prove inadequate to the payment and indemnity of the said sum of four thousand five hundred dollars, due to us as arbitrators, together with such contingent expenses as we may hereafter be liable for in keeping, guarding, preserving, insuring, or other necessary charges in relation to said ships and other property now held by us in trust; then and in such case, the said parties shall be jointly and severally bound to pay and indemnify us to the extent of the said sum last mentioned, together with said contingent charges and expenses, with interest thereon.

In witness whereof, we have hereunto subscribed our names and affixed our seals, at the city of New-York, the twenty-seventh day of July, in the year of our Lord one thousand eight hundred and twenty-six.

JONAS PLATT, (L. S.)

HENRY C. DE RHAM, (L. S.)

ABRAHAM OGDEN, (L. S.)

When the award was read to the parties that evening, the persons present were, Mr. Contostavlos. Messrs. Henry D.

and R. Sedgwick, Mr. Samuel S. Howland, Mr. Atterbury, for Le Roy, Bayard, and Company, and all the arbitrators.

The arbitrators then stated to the parties, that the time had expired, within which they (the parties) had reserved to themselves the right of selling one of the ships, according to the submission; and that the duty of selling had devolved on the arbitrators, as trustees: and they inquired of Mr. Contostavlos, whether the United States were willing to purchase one of the ships on terms satisfactory to him? To which his counsel, Mr. Robert Sedgwick, answered in the affirmative; and said, the arbitrators need take no steps towards a sale, for the money would be here ready on the part of the government to purchase and pay for the *Liberator*, within four or five days, or as soon as they could write to Washington and obtain an answer. Until this explanation, the arbitrators were ignorant of the state of the negotiations for that object at Washington.

Messrs. Sedgwick then applied to the arbitrators for a redelivery of all the papers, accounts, and correspondence, which had been submitted by them on the hearing: and presuming that all parties assented to the award, the arbitrators, without reserve, and without note or memorandum, distributed the large mass of books and papers relating to the controversy, to the respective parties as claimed by them, without nice discrimination or inquiry who had furnished them. Several of those papers and documents have since been sought for in vain. The persons then present dispersed, leaving J. Platt, and his son, Z. Platt, in the office. In a few minutes afterwards, *Henry D. Sedgwick, Esq.* returned to the office, and stated to J. Platt that he came to inform him that since the interview at the reading of the award, Mr. Contostavlos had altered his views, and he did not believe that he would abide by the award; and he had thought it his duty to give that early intimation of it. To which no reply was made; and Mr. Sedgwick retired.

The following correspondence ensued.

To Judge Platt, for the Arbitrators.

Mr. Contostavlos thinks it an imperious duty to request the arbitrators that he be furnished with the reasons at length of the decision which has been pronounced. Mr. Contostavlos has uniformly expressed this wish as well to his counsel as through them to the arbitrators; and the result of the arbitration has rendered it more important than ever. In the responsible situation in which Mr. C. is placed, it is hoped that this request will be complied with, even at some inconvenience; and the controversy being in the nature of a suit in equity, the party, whose interest is so seriously affected by the decree, thinks himself entitled to know the reasons.

Mr. Contostavlos and his counsel are also desirous to be informed whether the claim made in behalf of the deputies for the reimbursement of the whole of the monies advanced, on the ground that they had been expended in an illegal transaction, contrary to the instructions of the deputies, was rejected by the arbitrators as not comprehended in the power of Mr. Contostavlos, or the terms of the submission.

For Mr. Contostavlos.

J. DUER.
H. D. SEDGWICK.
R. SEDGWICK.

July 28, 1826

New-York, 28th July, 1826.

To John Duer, Henry D. Sedgwick, Robert Sedgwick, Esquires.

Gentlemen,

Your letter of this morning, requesting us to furnish Mr. Contostavlos "with the reasons at length of the decision which has been pronounced," has been received; and we regret that our indispensable engagements, as well as our sense of duty and propriety, forbid a compliance with your request *at this time.*

With great respect, Gentlemen,

Your obedient servants,

JONAS PLATT.
HENRY C. DE RHAM.
ABRAHAM OGDEN.

Jonas Platt, Esq. Abm. Ogden, Esq. H. C. De Rham, Esq.

Gentlemen,

We have to acknowledge the receipt of your note of this morning, declining a compliance with the request of Mr. Contostavlos "at this time."

We take the liberty to inquire whether we may expect this at any future period, and if so, at what period.

We beg leave to call your attention again to the last paragraph of our note, respecting which you are silent, and to which we consider ourselves entitled to an explicit answer.

We are, Gentlemen,

Very respectfully,

Your obedient servants,

JOHN DUER.
H. D. SEDGWICK.
R. SEDGWICK.

July 29, 1826.

New-York, 29th July, 1826.

To John Duer, Henry D. Sedgwick, Robert Sedgwick, Esquires.

Gentlemen,

Your note of this day is received; and under the circumstances of the case, we feel constrained by what we deem a correct sense of propriety, to decline

giving the reasons for our award on any point, in the manner insisted on by you, on behalf of Mr. Contostavlos; until the irritations of the occasion have ceased, and until such reasons or explanations can no longer minister to litigation; which it was the object of the submission to avoid.

Both parties express dissatisfaction at the award; and we think it improper now to give statements to either, unless upon their joint application or consent. Whenever the award shall be carried into effect, we shall not decline to give our reasons, and especially to Mr. Contostavlos.

Permit us to inquire whether Mr. Contostavlos has taken any measures since the award, towards completing the negotiations at Washington for the sale of one of the ships?

Very respectfully, Gentlemen,

Your obedient servants,

JONAS PLATT.

HENRY C. DE RHAM.

ABRAHAM OGDEN.

New-York, 31st July, 1826.

*To Jonas Platt, Henry C. De Rham, and Abraham Ogden, Esquires.
Gentlemen,*

Your note, dated 29th inst. was received this day. Our first note to you contained the following passage:—"Mr. Contostavlos and his counsel, are desirous to be informed, whether the claim made in behalf of the Deputies for the reimbursement of the whole of the moneys advanced, on the ground that they had been expended in an illegal transaction, contrary to the instructions of the Deputies, was rejected by the arbitrators as not comprehended in the powers of Mr. Contostavlos, or the terms of the submission."

In consequence of receiving no answer to this in your first note, we called your attention to it in our second note, and requested an explicit answer. We regret, that even in your last letter, the desired information is withheld; and we again, in the most respectful, but urgent manner, renew our request for an explicit answer.

In reply to the last paragraph in your letter, we can only state, that until we receive the information requested, we cannot advise Mr. Contostavlos to do any act which may be construed into an affiance of the award.

In the mean time, we are instructed by Mr. Contostavlos to state, that he cannot consider you as authorized to make any sale or transfer of the property.

We are, with great respect,

Your obedient servants,

JOHN DUER.

H. D. SEDGWICK.

R. SEDGWICK.

New-York, 31st July, 1826.

*To John Duer, Henry D. Sedgwick, Robert Sedgwick, Esquires.
Gentlemen,*

Your note of this morning is before us, and we regret to be under the necessity of saying, that for the reasons adverted to in our letter of Saturday, we must decline answering the interrogatory stated in your last note, until our reasons and statements can no longer subserve the purposes of litigation.

Very respectfully,

Your obedient servants,

JONAS PLATT.

H. C. DE RHAM.

ABRAHAM OGDEN.

New-York, 1st August, 1826.

Gentlemen,

We perform a painful but imperious duty in behalf of Mr. Contostavlos and his unfortunate country, in apprizing you, that upon full deliberation we consider your award as invalid and nugatory, on several distinct grounds.

As we have not received the reasons of the award, we do not feel ourselves bound to state our reasons for considering it void. It follows, of course, that we cannot recognise your power to dispose of the vessels, or either of them.

We are preparing a bill in equity to obtain an injunction; and in the mean time we are directed by Mr. Contostavlos to prohibit you from making any disposition or transfer of the property.

We are, with the highest respect,

Your obedient servants,

H. D. SEDGWICK.

R. SEDGWICK.

To Messrs. Platt, De Rham, and Ogden.

P. S. Mr. Duer has seen and approved the draft of this letter, but has just left town.

August 2d, 1826.

Gentlemen,

Upon examining the provisions of the submission made to you as arbitrators in the controversy between Johannes Orlantos and Andreas Lariottis of the one part, and the commercial houses of Le Roy, Bayard & Co. and G. G. & S. Howland of the other part, it will be found that the vessels, in relation to which the controversy between those parties arose, were conveyed to you in trust, to sell and convey one of them to any person or persons, and at any time that might be named by the parties, provided such sale was made within thirty days from the date of the said submission; and if no such sale took place with the consent of the parties within the time aforesaid, then in trust, for you or any two of you to sell or mortgage the said ships or either of them, within ten days after the expiration of the said thirty days; and out of the proceeds of the said sale or mortgage, after deducting your costs and charges as arbitrators, to pay to the said Le Roy, Bayard & Co. and G. G. & S. Howland, the amount of such sums as may be awarded to them respectively by you.

The thirty days within which the parties had the power, by mutual consent, to make a sale of one of the said ships, having expired, and the ten days thereafter being also about expiring, as counsel for Messrs. Le Roy, Bayard & Co. and G. G. & S. Howland, we call upon you to mortgage or sell one or both of the said vessels, for the purposes mentioned in the said submission. As the time left of the said ten days is so extremely short, you are, of course, at liberty to take a longer period to make the said sale or mortgage, provided you think it proper to do so, in order to avoid a sacrifice of the property; but we shall expect the sale to be made within twenty days from this time.

We are, Gentlemen, with great respect,

Your humble servants,

THOMAS ADDIS EMMET.

DAVID B. OGDEN.

To Jonas Platt, Henry C. De Rham, Abraham Ogden, Esquires.

To J. Duer, H. D. Sedgwick, and R. Sedgwick, Esquires.

Gentlemen,

New-York, 3d August, 1826.

We have received your letter of 1st inst., and upon reflection, we consider it to be our duty to proceed to sell the ships *Liberator* and *Hope*, with their ap-

portenances, and the extra property assigned to us, according to the terms of the submission and the assignments.

*With great respect, Gentlemen,
Your obedient servants,*

JONAS PLATT,
H. C. DE RHAM,
ABRAHAM OGDEN.

On the 3d of August, we prepared our advertisement for the sale of the ship or ships, &c., as the case might require; appointing the 19th of August for the auction: and on the same day (3d August) a bill was filed on behalf of the Greek deputies, in the equity court of 1st circuit, and an injunction granted by his Honour *Judge Edwards*, staying the sale of the frigates. This was an *ex parte* proceeding, without previous notice to the houses or the arbitrators of such application for an injunction. The bill was sworn to by *Mr. Contostavlos*: and the principal facts and grounds stated in the bill are, that the proceedings and expenditures of the houses in building, arming, and equipping these ships for the *belligerent* service of Greece, while the Ottoman empire was at peace with the United States, was an express violation of the laws of our country, and contrary to the law of nations; that the proceeding was unauthorized and forbidden by the instructions of the Greek deputies; and that the award was made partly upon matters not included in the submission, and which arose after the date of the submission.

This, it will be perceived, was notice of record, and upon oath, that the ships and their armament were liable to seizure and forfeiture; and was a flagrant provocation to the officers of government to enforce the law; and an open, undisguised temptation to the cupidity of common informers; who, by law, would be entitled to one half the value of the ships, &c.

Under these circumstances, the houses were induced to make the sacrifice of \$12,000 each, in order to secure the residue of their demands under the award.

In all the negotiations. however, for a compromise between

the parties; the arbitrators maintained a *passive neutrality*. In consequence of that arrangement, the arbitrators proceeded to sell the ship *Liberator* to the United States, including her armament and equipments, for the sum of \$233,570 $\frac{9}{10}$, pursuant to an arrangement previously made by the parties; and on the 30th day of August last, we assigned the ship *Hope* to agents, designated by Mr. Contostavlos, for the Greeks; with all the residue of the armaments and equipments (of which there was a large surplus over and above the compliment for that ship); and on the same day, we went on board the ship, and made a formal and complete delivery of her to the agent for the Greeks.

The following account shows the receipts and payments made by us as trustees.

Dr.	Arbitrators in Account with Trust Fund.	Cr.
1826.	1826.	
Aug. 23. Cash received of J. K. Paulding, Esq., Navy Agent, upon sale by them of Ship <i>Liberator</i> , to the United States, - - \$200,000 00	Aug. 24. By Cash paid G. G. & S. Howland, - \$20,000 00 " " Le Roy, Bayard & Co. - - 20,000 00 " " Greek Deputies, 20,000 00 " " Arbitrators, - 4,500 00	
Sept. 9. Cash drawn from Navy Agent of United States, by a Draft in favour of Greek Deputies, - - 33,570 97	30. " G. G. & S. Howland, - - 48,922 52 " " Le Roy, Bayard & Co. - - 39,392 48 " " Griffin & Strong, Esqr's fees for defending suit in Equity against Arbitrators, 69 74	
	Sept. 9. " wharfage of Ship <i>Hope</i> , - - 190 13 " " wharfage of Ship <i>Liberator</i> , and custom house fees, - - 118 22	
	" " Capt. Chauncey's account for himself and men, from 27th July, to 30th August, 698 60 " " Greek Deputies, 46,108 31	
	" Order on Navy Agent, in favour of Greek Deputies, 33,570 97	
	<u>\$233,570 97</u>	<u>\$233,570 97</u>

On our final settlement with Mr. Contostavlos, we asked of him the following guaranty, which he admitted to be reasonable, and gave without reluctance. It imposed no hardship

or risk on Henry D. Sedgwick, Esq., who succeeded us as trustee of the ship *Hope*; and who consequently held security for his indemnity.

September 9th, 1826.

In the matter of the arbitration between Johannes }
Orlandos and Andreas Luriottis, of the one part, }
and Le Roy, Bayard & Company and G. G. & }
S. Howland, of the other part.

The arbitrators being now about to pay over to Alexander Contostavlos, Esquire, Agent of the Greek Deputies, the final balance of money accruing under their award; it is understood and believed, that all claims in law or equity against the said arbitrators, as trustees of the ships *Hope* and *Liberator*, with their equipments, and naval stores, and armaments, appurtenant thereto, for keeping, guarding, insuring, storage, wharfage, or other incidental charges, arising out of the execution of their trust, since the said ships were assigned to said arbitrators, have been all presented and paid. But, inasmuch as some such contingent claims may still exist, we, the subscribers, jointly and severally engage to indemnify and save harmless, the said arbitrators, from all claims in law or equity, which shall arise or be discovered within three weeks from this date, for or on account of the incidental expenses aforesaid, it being understood that this guaranty is not to extend to any claims for labour, materials, costs, or charges, for building and equipping said ships, or for the cost of the armaments, equipments, and naval stores, nor for any charges whatever in relation to said ships and other property, which accrued previous to the assignment thereof to said arbitrators; nor to any charges for which the said Le Roy, Bayard & Co., or said G. G. & S. Howland have been allowed by said arbitrators.

J. ORLANDAS and A. LURIOTTIS.

By their Attorney, A. CONTOSTAVLOS.

H. D. SEDGWICK.

Signed in presence of }
DAVID D. FIELD. }

We have the satisfaction to state, that no subsequent claim has been made against us; and Mr. Sedgwick is exonerated.

We rejoice that the gallant ship "*Hellas*" has at last sailed, according to her original destination; and we cherish the fond hope, that she will be a minister of vengeance to the oppressors of the heroic Greeks.

One subject of complaint is, that the arbitrators obstinately and perversely refused to remove Captain Chauncey from the charge and superintendence of the ships, although such removal was urgently and repeatedly made by Mr. Contostavlos and his counsel.

On this point, we have already shown, that when we assumed the trust, we inquired of the parties and their counsel

(the same counsel), whether they were satisfied with the conduct and fidelity of Captain Chauncey in that office ; and they informed us that there was no objection. Immediately after reading and explaining the award, on the evening of the 27th July, at J. Platt's office, Mr. Contostavlos and his counsel (Messrs. Sedgwick) stated, that the charge by Captain Chauncey of \$10 per day was so exorbitant that they wished him removed, and that a substitute should be appointed. To which the arbitrators answered, that they thought it altogether inexpedient, because they had just been informed by Mr. Contostavlos and his counsel, that the sale of the *Liberator* would be completed in a few days, and then the award would be immediately carried into effect ; that it would create great additional labour and expense, because no prudent man would undertake such a charge for a few days, or without testing the accuracy of the inventory, which would require more time than would elapse before the award was to be carried into execution. Mr. Contostavlos and his counsel, however, could perceive no force in these objections, and still urged such removal. A similar request was several times repeated by them, after they had intimated a determination to contest the award. There were other reasons, also, which induced us to refuse a compliance. We had seen no evidence of a want of fidelity in Captain Chauncey ; and we thought it prudent to avoid the irritation which such a harsh measure would excite. We thought his *public and official character* served to mask the trust property, and to shield it against common informers. "*Quieta non movere*," seemed to us a maxim suited to the case. Besides, we had the personal responsibility of Captain Chauncey, accurately defined, by the inventory which he had furnished to us ; and we could not make a proper substitution without much time and expense. In taking the inventory of *one* of the ships only, with her appurtenances, on our subsequent sale to the United States, about ten days were faithfully occupied under the direction of Commodore

Isaac Chauncey, which was necessary to consummate that sale and transfer, by the arbitrators.

Our remaining duty is, to assign some reasons for our award.

On the cardinal point relied on by the counsel for the deputies, their right to rescind the contract, and recover back all the money paid under it, with interest, on the ground that the expenditures were unauthorized by the deputies ; we are of opinion, that such a right did not exist at the time of the award.

First. Because we think it *very questionable* whether the mere *existence* of the act of congress referred to, is within the spirit and intention of the prohibitory clause in those instructions. The article relied on is in these words : “ Before any
“ arrangement is made for executing these orders by purchasing
“ or building the frigates, the two houses to whom General Lalande is referred, must ascertain, in the most unequivocal
“ manner, that their government will permit the sailing of the
“ frigates, and the enrolling of the men ; and that this operation, so important to the welfare of Greece, will meet no opposition from the government, or the laws of the United
“ States.”

By the law of nations, which the deputies were bound to know, it was unlawful for our government to “ *permit* the sailing of the frigates, and the enrolment of the men,” for intended hostility against the Turkish government, being at peace with us. The obligation on our government to enforce that general law, was as positive, as the duty of executing the act of congress. The same duty of neutrality was imposed on every nation in the world. Yet the Greeks determined to build frigates in foreign countries. If they could not do it in the United States, *where* did they expect to do it? We think it not a forced construction, to infer, from the language and spirit of that article ; that the deputies meant, that the agents here should ascertain unequivocally, that our government would refrain from any exertion of authority, and secretly favour the enterprise. Whether the agents did unequivocally

ascertain this disposition in the government? whether the "operation has met no opposition from the government or laws of the United States?" and whether the "*Hellas*" has been "permitted to sail, and to enrol her men?" are delicate questions; and we deem it unnecessary to discuss or weigh the evidence on those points. The duty of these houses, and General Lallemand, in relation to our government, required great circumspection, fidelity, and address. How far the duty has been successfully performed, the public will now judge.

Secondly. We are decidedly of opinion, that if such right to rescind the contract, ever existed; it was waved by the silent acquiescence in a series of acts done under the contract, ever since the receipt by the deputies of the letter of the houses of 15th of February, 1826. and the letter of General Lallemand of 16th of same month, expressly informing them, that the ships were liable to seizure, as having been built in violation of law. Whenever the deputies acquired this information, they were bound to *elect*, either to *rescind* or *affirm* the contract; and to give notice of such election in case of rescinding. They had a right to take a reasonable time to ascertain the truth of that information, and to take counsel on the subject; and for that, and other purposes. Mr. Contostavlos was sent to this country. He arrived in April last, and immediately consulted counsel; and no intimation to rescind the contract was ever given by him; although he knew that the houses were then at work in finishing the ships, and doing other acts in reference to that contract. The first intimation of any intention to rescind the contract, was made by Robert Sedgwick, Esq. when he took that ground, as counsel, in opening the defence of the deputies, on the 12th day of July last. On the 6th of July, the counsel for the deputies expressly and distinctly admitted to the arbitrators, and to the opposite counsel, that the deputies were liable for the fair actual cost of the ships, upon proof and vouchers; and that their objection was to the commissions on those expenditures;

and the examination afterwards proceeded for six days, on that basis. By this admission, the counsel for the deputies, in the most deliberate form, *elected* for their clients to *affirm* the contract; and an election once made, is irrevocable and conclusive. They had no right to vascillate, and speculate upon the evidence as it was gradually unfolded; and thereby hold the opposite party in suspense. If that objection was ever waved for a moment, it could never be revived.

Thirdly. We are of opinion, that the true construction of the submission *implies* a ratification of the contract, (if that were necessary.) and the parties mutually agree to liquidate their claims arising under it, upon the principle and assumption, that it was a valid and subsisting agreement. As arbitrators, therefore, we had no right to assume any other ground, and we should have exceeded our commission if we had done so.

On the important point of *commissions* for building, arming, and equipping the ships, it was proved, that in all the contracts for labour, services, and materials, the two houses contracted jointly and severally, so that each house was responsible, in all contracts, for the expenses of both ships. The evidence shows, that the ordinary commissions for building and repairing ships vary from two and a half to five per cent. with two and a half per cent. in addition, on drawing bills for reimbursement; and the general rule, according to mercantile usage, is, not to exceed the above rate of charges, unless by *express stipulation*.

We are of opinion, that the usage thus proved, does not govern this case; because the agency of these houses was not within the ordinary range of commercial transactions, to which that usage applies. Here was a special confidence of a *political* as well as *commercial* character. The houses with General Lallemand, were, in fact, diplomatic agents, in a very difficult and delicate affair with our government; whether that part of their agency has been discreetly and successfully accomplished; and whether they have procured the favour of

the government in the manner contemplated in their instructions, is a point on which we express no opinion.

So far as the houses had not money in hand, or confirmed credits, this agency was attended with peculiar risk, with reference to the credit of the Greek funds, which were extremely precarious, dependent on the fortunes of war, as well as the faith of a government yet struggling for existence. As the Greek deputies profess to act in a public character, and a copy of their commission under the Greek government forms part of the instructions to these houses, it is very clear that the deputies were not personally liable under the contract. The real parties were the government of Greece, and these houses.

We are of opinion, that the transaction was *illegal* as against the law of nations. If the government authorized, or assented to it, the offence was *national*; if the government did not permit it, then it was an individual transgression, which the government had a right to arrest and defeat. We are also decidedly of opinion, that this enterprise was within the purview, and subject to the penalties, of the third section of the act of congress of 20th of April, 1818.

The ships and materials were liable to seizure and condemnation under that act: and therefore the agents had no secure *lien*, as in ordinary commercial agencies, in building ships, &c. In reality the houses had no security, which could be enforced; except so far only, as they had money in hand, or confirmed credits: and as soon as the monies were vested in the ships, or materials, or armaments, the whole was liable to forfeiture. Besides, every intelligent man knows, that of all chattles, a large ship of war, is of least value as security, in proportion to its cost.

We are also of opinion, that the commercial usage requiring an express *stipulation*, where more than ordinary commissions are chargeable, does not apply to this case; because the distance between the contracting parties, and

the indispensable expedition required, did not reasonably admit of a previous stipulation in regard to the rate of commissions. It would have occasioned a delay, utterly ruinous to the object and design of the deputies. What could have been more affrontful to the deputies, or more injurious to the cause of Greece, than a letter from the houses, saying, "we cannot commence operations till the rate of our commissions is settled by special agreement." It is to be remembered, that General Lallemand came addressed to the three houses *exclusively*, and if they declined, he could make no contract with others, without new powers.

We are also of opinion, that the preliminary conversation, wherein Mr. Bayard stated to General Lallemand that his house should charge ten per cent. commissions, and that they would not divide commissions with G. G. & S. Howland; with the uniform silence and acquiescence of General Lallemand, are evidence in law, of an agreement to that rate of commissions so far as General Lallemand was authorized to contract for the deputies in that particular. And here arises the question, whether General Lallemand had power to bind his principals by acceding to the terms proposed by Mr. Bayard? We are of opinion, that he had such power in this case, and in relation to these houses: on the ground, that the general authority of contracting for commissions, was incidental to, and included in, the powers conferred on the joint agents, General Lallemand and the two houses. There can be no doubt that they jointly could have made a valid contract with any other person, for the rate of commissions, as well as for any other necessary charge in building the ships. General Lallemand was not merely a *joint agent* with the houses: he *alone* had a negative on all the members of the two houses; and they *collectively* had a negative on him. Le Roy, Bayard & Co. had offered to build these ships; and were in treaty with the deputies for that purpose

before General Lallemand was sent to the United States ; and in the event that the agents could not purchase frigates of our government, it is apparent that the deputies contemplated, what has happened ; viz. that the houses would contract to build them. With this reasonable expectation, General Lallemand was sent here to represent the deputies, with power to check and controul the houses, who are restricted from doing any act without his consent and approbation ; and there is no express power or instructions in regard to commissions. We think, by fair implication, General Lallemand was clothed with power to stipulate with *these houses* on that point. Because the main object of building and equipping the frigates, as soon as possible, by the persons, and in the manner contemplated by the deputies, could not have been carried into effect without such a power. A general power to accomplish an object, includes all the means ordinarily necessary to that end.

General Lallemand testifies, that he did not *suppose* himself authorized to contract for commissions ; and that he *thought* it would be a subject of ulterior arrangement. By whom ? He explains “ by the committee,” consisting of himself and the two houses, with Captain Chauncey. This shows, that he judged that the *Committee* had power to fix the rate of commissions ; and if the committee could do it, certainly General Lallemand and the two houses could do it, without Captain Chauncey, their own agent. But General Lallemand never gave any such explanation to the houses. The only answer made by him to Mr. Bayard was, “ *are those your definitive terms ?* ” To which *Mr. Bayard* answered, “ *they are :* ” and nothing more was said. They proceeded in the execution of the contract ; and the subject was never afterwards mentioned, till this controversy arose. No *silent thoughts or opinions* of General Lallemand, could affect the legal rights of the houses : and in judgment of law they had

a right to consider the contract proposed by them, as assented to by General Lallemand ; inasmuch as he made no objection to the terms ; stated no reason for his silence on that point ; and induced the houses to proceed in executing the contract. This was a case where *silence* was as *expressive* as any thing he could have said. There is no ground to suspect, for a moment, that General Lallemand meant to deceive : he evidently was not aware of the legal effect of his silent reserve : and if he now intends to be understood as saying that he had no power to stipulate for commissions in this case, we think he errs in judgment, on that point of law.

General Lallemand has also been calumniated : and we deem it our duty to him, and to the *much abused* public, to state, that in the course of our investigations, we have necessarily had occasion to examine and scrutinize his conduct, in relation to these frigates, and the controversy submitted to us ; and the result has produced entire conviction in our minds, that he is a man of distinguished talent, and accomplishments, of firm integrity, perfect truth, and the most delicate and refined honour. He has been the constant, faithful guardian of the interest of his principals ; and his character affords strong assurance to the public, that no deception, fraud, or foul speculation, has been practised by these houses.

If there was no special agreement, nor any commercial usage to govern this case ; the houses are entitled to *reasonable* commissions, having regard to all circumstances. And measuring by this rule ; we are of opinion, that the sum charged, viz. five per cent. for each house on both ships, or ten per cent. to each house on the ship under its immediate charge, is not unreasonable. We are persuaded that no prudent and intelligent man who had a fortune to hazard, would have undertaken it for less ; and we think the testimony of the witnesses on this point, warrants the same conclusion. The example in building ships for the government of Colum-

bia, is in point; and that would authorize a much heavier charge.

Whether we allowed five per cent. to each house, upon the expenditures for both ships; or ten per cent. to each house, for the particular ship under its more immediate charge, would of course be the same thing in amount to the Greeks. The reason why we preferred to state the allowance at the rate of ten per cent. to each house, upon one ship only, was, that it was more equal as between the houses that each should receive the commissions on its own disbursements, which were unequal in amount.

We saw no foundation for the argument, strenuously urged at the hearing, that the compensation to captain Chauncey, and the master ship-carpenters, should be deducted from the commissions. The question is, whether they were the suitable and necessary agents for such operations? of this we can entertain no doubt. It would have been presumptuous folly, in the merchants who compose these houses, to attempt to perform the offices assigned to captain Chauncey and the master builders, in constructing ships of war. They were indispensable subordinate agents: and the deputies might, on the same principle, claim a deduction for wages paid to any of the workmen engaged in constructing the ships. Besides, it is important to remark, that by the instructions of the deputies, it was wisely enjoined as follows: "General Lallemand will ascertain that the contracts are for frigates of the *first class*; and that none other than the best materials be employed; and that in the building, rigging, equipping and arming the same, the same rules shall be followed as are laid down by the admiralty of the United States, for government frigates:" and it is proved, that our government uniformly assigns a naval officer of first rank, to superintend and inspect the building of such ships; and employs a master carpenter, to oversee and direct

the workmen. We therefore think it is clear, that if the two houses had omitted to employ such a naval officer, or other person of equal skill and experience, it would have been a gross abuse of discretion, and a violation of their instructions.

In regard to the amount of compensation to Captain Chauncey, the contract was to pay him \$10,000 for his skill and talent ; for his sacrifice in retiring from the public service ; and losing all pay and emoluments as a captain in the navy ; and for the complete devotion of his time and services to this enterprise, which was calculated to endure till the 1st of March, 1826. The same terms were offered to, and refused by an other captain in our navy. There is no evidence, nor was there any attempt to show that such services, by an officer of equal rank, could have been obtained for a less price. And it stands proved and admitted, that he has ably and faithfully performed his contract. We considered the \$10,000 as the stipulated reward for his services, &c., until the period when the ships ought to have been ready for sea, and would have sailed, if the funds had not failed, and there had been no interruption occasioned by the Deputies : and upon the evidence, we fixed that period at the 1st of March last. From that period down to the delivery of the *Hope* to the Deputies, we allowed him ten dollars per day.

In regard to the charge of \$25,000 paid to Christian Bergh & Co., and a like charge of \$25,000 paid to *Smith & Demon* ; the price was paid for their skill and personal services ; for the immediate and exclusive devotion of their extensive ship-yards and workshops, tools, &c. ; and for engaging to forego all other contracts and employment, till those ships were built. The evidence is, that they are men of first character in their line of business ; that they refused to build by contract for a gross sum ; that they have faithfully, and with unexampled despatch, fully performed their contract : that they have rather

lost than gained by their contract; and there is no evidence, nor any attempt to prove, that any other ship-builders could have been procured to do the same for a less price.

In regard to the interest account, we found some difficulty in establishing a correct rule as to dates; because it was not easy to determine the precise periods when the Houses had a right to draw their bills. Their engagements here were positive and personal; and as far as they had not cash in hand, or confirmed credits, it was not safe to commit themselves in advance, as the work required. We thought they had a right to draw in advance to a reasonable extent; that they might know the fate of their bills, before the monies were actually due to the workmen and contractors; and the progress of the work could not be exactly foreseen. We think a liberal construction should be given to the right of drawing bills, *as to time*. The complaint of the Deputies has been, not that the bills were drawn *too soon*; but that the aggregate amount was *unreasonably large*. It is also worthy of notice, that Messrs. Ricardo request the houses to draw "*as seldom as possible*," because "they did not like to be under many acceptances at the same time;" which was an invitation to draw for large sums in advance, in order that *few* bills might be drawn. We also think it was justifiable in the Houses to draw in advance, for an amount sufficient to indemnify for the whole expense, so long before the completion of the ships, that they might have time to hear the fate of their bills before the expected departure of the ships. It could not reasonably be expected, that they would allow the ships to sail, until they were paid or secured. Upon weighing all considerations, and on examining the state of the accounts, we adopted the 28th day of November, as the common epoch for the calculation of interest.

As to the item of shot lost by shipwreck, and uninsured; we understand the general rule to be, that agents or factors are not bound to insure, unless directed by their principals to do

so. But here the principals were remote, and probably ignorant of the fact, that shot were to be transported by sea to New-York. We think the rule applicable to this case is, that which requires the agent to use the same diligence, and exercise the like sound discretion, which a prudent and intelligent man would ordinarily do in his own business. The proof is, that General Lallemand advised the Houses to insure on all the shipments from the Potomac; and on examining six other policies, we find that they did insure on all the other naval stores, shipped from Georgetown and Alexandria, but not till they were apprised of the shipment, and of the name of the particular vessel named in the policy; and all the policies were written in New-York. In this case, their agent was sent to Georgetown, to expedite the shipments; and on the day of putting the shot on board the schooner "Exchange," he wrote by mail, giving information of the shipment, and naming the vessel. That letter was never received; and the first information the Houses had of the shipment, was an account of the loss. The question then is, were the Houses guilty of culpable negligence, for not insuring the cargo of shot? We thought not; and therefore the loss fell on the principals, and not on the agents.

We here deem it proper to state the fact, that the same number of persons, and the same individual men, who were employed to keep and guard the ships, at the time the trust devolved upon us, were afterwards continued by us in the same employment; and the parties assured us, on the 28th June, that they desired no change in that respect. We do not believe, however, that any unnecessary expense was incurred in that particular.

There was an account for law charges, amounting to \$800, for drawing contracts; and, including two counsel fees of fifty dollars each. According to the testimony of George Brinckerhoff, Esquire, which we have before stated, we were of opinion

that the fees were not extravagant ; and that, situated as the Houses were, at the period when they first received notice of the protest of their bills, and before any litigation had commenced, they were authorized, on the score of agency, to take advice as to their rights and duties, in the critical and embarrassing situation in which they were placed. We think it very creditable to the sagacity and prudence of the Houses ; that in a business involving contracts for nearly \$300,000, and of a hurried and complicated character, the law charges do not exceed \$800.

As to the damages of 20 per cent. claimed by the Houses on their protested bills, it appeared that two bills drawn by Le Roy, Bayard & Co., and two bills drawn by G. G. & S. Howland, on I. & S. Ricardo, were protested for non-acceptance and non-payment, at a time when we think the Houses had a right to draw such bills. Those of Le Roy, Bayard & Co. were drawn payable to Baring, Brothers, & Co. ; and those of G. G. & S. Howland were payable to Samuel Williams, who appears to be the agent, or banker, for the respective Houses who drew the bills. It was stated, but the proof is defective, that in confidence that those bills would be duly honoured, the Houses drew bills on their respective agents, against the bills on Ricardo, and specifically on that fund ; and that the latter bills were protested in consequence of the protest of the first bills ; and the drawers made liable for damages. We do not feel called on now, to enter at large into the merits of this question ; and our limits compel us to dispose of it, by saying, that we deemed the charges for damages inadmissible ; and they were rejected.

It appeared, on the hearing, that soon after Mr. Contostavlos arrived, Messrs. Le Roy, Bayard & Co. rendered to him their account, professing, on the face of it, to be imperfect and uncertain as to some items. The aggregate amount was \$396,851 66 ; and, the complete account rendered at the hear-

ing, was adjusted by the arbitrators at \$397,569 91; containing several items not in the first account, and omitting a charge of \$1000, contained in the first account. Mr. Atterbury was called to prove that the insertion of that item, in the first account, was an inadvertent mistake made by himself, by charging the same sum twice in the first account, which explanation was admitted, on the arguments, to be satisfactory.

As to the claim of Messrs. Howland, for the £7,500 sterling, drawn from Ricardo, and deposited in the hands of Williams, and which was lost by his failure; it appears by the accounts of Williams, that he placed the avails of those bills to the credit of Messrs. Howland, in his *general* account, and not as a *specific trust fund*. We felt the hardship of this case, but we perceived no justifiable ground on which we could consider *Williams* as the agent and depositary of the Greek Deputies; and therefore we rejected the claim.

The Houses charged 2½ per cent. commission on all their bills drawn on the Bankers of the Deputies in London. There was no stipulation, or conversation with General Lallemant, in regard to that charge; and it rested upon the usage, and special circumstances of the case. We do not deem it necessary to enter into a minute detail of the reasons and discriminations on which we came to the conclusion that this claim should be reduced to *one per cent*; and confined to a part of the bills only: as will be seen by the abstracts furnished to the parties, with our award. It was intended as the smallest commission known in commercial usage in such cases; covering all contingent charges of brokerage, agencies, notarial expenses, &c. &c. which by accounts rendered on the back of some of the protested bills, were very considerable. We felt bound by rigid rules of law, to reject the claims for damages on the protested bills; but having come to the conclusion, with perfect satisfaction to our own minds, that the Houses had a right to draw those bills, under the contract; we also felt the hardship to which the Houses had been subjected, by

the violation of the contract on the part of the Deputies; in the repeated dishonour of their bills on the great theatre of London, at that crisis of panic and alarm in the commercial world:—and it more forcibly reminded us of the risks, which form part of the consideration for the commission on drawing bills. Upon the whole, we deemed it just and equitable, to allow one per cent. on part of the bills drawn; and especially those without confirmed credit.

It appeared that Le Roy, Bayard & Company furnished of their own property, some iron and copper, amounting to \$49 15.50, for the use of the ships: (which was the only instance in which either of the Houses supplied any thing from their own stores); and it appears that commissions were allowed on that item, indiscriminately with the other expenditures. Through hurry and inadvertence, the objection to commissions on that item, (which had been hinted merely in the argument) escaped our attention. In truth, we never deliberated on the point; if we had done so, we probably should have come to the conclusion, that a commission *was* allowable, according to mercantile usage.

Upon the subject of the expenditures generally, and of their very large amount, we take occasion to say, that it is very evident from the *retrospect*, that the Greek Deputies have miscalculated the extent of their funds; and have contracted for more ships and steam boats, than they are able to pay for; and hence has resulted the sacrifices and delay in regard to the *Hope* and *Liberator*. We believe it is equally true, that the New-York Houses, and General Lallemand, have been disappointed in their early sanguine calculations as to the expense of these ships. They have, no doubt, cost much more than General Lallemand and the Houses anticipated. But there was no evidence, nor any attempt to prove, that there had been any waste of labour or materials; or that more had been paid, in any instance, for labour or materials, than was necessary: and it is known that the arbitration was held in this City, which was the theatre of operations; and thereby every facility was afforded to detect false

charges, frauds, or misconduct. We perceive no evidence of deceit, embezzlement, fraud, or breach of trust, in the conduct of these Houses. They were reduced to the necessity of building by days' work, because no builder would contract for a gross sum, without requiring more time than could be allowed. And even if the time could have been allowed, the price demanded by Mr. Eckford, \$175,000, for each ship, without armament or stores, was little short of the present cost. The Deputies were apprised of the offers of Mr. Eckford at the commencement ; and said they were inadmissible *as to time*. They were also then informed of the contracts to build by days' work, and approved of them. We here remark, that the Houses were probably less communicative, because they knew that General Lallemant was stationed here for the express purpose of guarding the interest of the Deputies, and keeping them well advised of the operations. Now, every man of sense and experience knows, that as soon as the latter plan (by days' work) was adopted, it was utterly impossible to calculate with any degree of precision, the final amount. It depended upon contingencies and fluctuations, which human sagacity could not foresee. Commodore Isaac Chauncey swears, that in his opinion, "the *extra expense* of building these ships, in so short a time, and at that particular season, was 25 or 30 per cent more than ordinary." This opinion is corroborated by the uniform current of the testimony : and if that fact be established, it accounts for the unexpected *extra* cost of these ships, in a manner perfectly consistent with the good faith and integrity of these Houses. It is unjust to test the fair price of these Frigates by a comparison with Government-ships. The Government has the means of practising more economy ; it purchases when it chooses, and at the lowest rates : it has its own spacious yards and work-shops, and tools, and complete assortments of timber on the spot, already cut to moulds : it chooses its own time (during Peace) with reference to the rate of wages : it employs its own officers to superintend and inspect the work ; and the Commissioners of the Navy Department

and the Navy agents *ex officio* perform the services, for which these Houses charge commissions, and those for which General Lallemant was paid. But if such a comparison be instituted, let the expenditures for these frigates be compared with the forced operations of our Government, in building ships at Sackett's-Harbour, during the last war.

Upon the final liquidation made by us, it appears, that the expenditures, and commissions allowed to Le Roy, Bayard, & Company, including their whole agency, without Interest, are

\$443,486 76

And the expenditures and commissions allowed to G. G. & S. Howland, including their whole agency, without interest, are

\$451,421 86

Total amount for both ships \$394,908 62

It is here proper to remark, that part of expenses of General Lallemant's special mission and agency ; and a great part of the heavy expenses of keeping these ships, and stores, including wharfage, insurance, &c. since the 1st. March last, (when the ships ought to have sailed) are included in these accounts : and there were also included extra armaments and equipments, beyond the complement ordinarily required for such frigates ; consisting of the following articles, according to an inventory and estimate furnished to us by Captain Chauncey, viz.

" All the shot from General Mason's, viz.

" 6800 32 Pound round shot, 217,600 lb. at 5 cents.	\$10880 00
" 6000 42 Pound round shot, 252,000 lb. at 5 cents.	12600 00
" 1920 Stands 32 Pound grape, 61,440 lb. at 6½ cents.	3993 60
" 1282 Stands 42 Pound grape, 53760 lb. at 6½ cents.	3494 40
" Quilting shot, according to the charge in General Mason's contract.	1728 00
" Extra Spars from Norfolk.	1560 44

“The Sails, rigging and cables were so far
 “extra, that they were calculated for a }
 “three years’ cruise.

\$34,256 .44”

To which extra charges may be added \$4741 18 paid for Insurance.

As Arbitrators, we endeavoured to conform to the established rules of law and equity. We considered ourselves bound to decide, according to the evidence before us: and we did not suppose we had a right to settle the balances of these accounts, with any reference to the merits of the war between the Greeks and the Grand Seignior. We feel, in common with our fellow-citizens, a deep interest in the cause of Greece, against her bloody and ferocious tyrants: but we disclaim all right to indulge generous sympathies, at the expense of either of these parties.

The power of fixing our own compensation, was a delicate trust. We were fully aware of this, when we were urged to accept our office; and then frankly apprised the parties, that if we became *trustees* as well as *Arbitrators*, we should consider the execution of the trust as a matter of business aside from the office of Arbitrators; and should charge a reasonable commission accordingly. This was admitted to be just; and on that basis we undertook the trust. The subject has occupied a very large portion of our time, ever since the 26th June last: we have neglected our own business, in order that we might devote ourselves to this duty; and we have felt with deep and painful anxiety, the momentous consequences of our award. Our path has been rugged, and thorny, and arduous; and we have met with *few cheering consolations by the way*.

We thought these parties had no right to cover the ships, &c. under our names, and to involve us in the difficult responsibilities peculiar to them, without a full compensation. We perceived an angry spirit of litigation, during the hearing; and had reason to dread a seizure and condemnation of the

whole trust-fund: and by becoming the legal owners, we should, in such event, be necessarily made parties. Of course it would be our duty to defend those suits and incur personal responsibilities for the costs of protracted litigation:—and from the date of our award, till the completion of the execution of our trust, we were personally liable for the enormous expenses of keeping, guarding and insuring the ships, and naval stores distributed in several store-houses; which current expenses amounted to about \$40 per day. And if that fund should at last be condemned as forfeited, we should have had no means of indemnity. The parties have never stipulated to save us harmless against those adverse contingencies: and, if they had done so, the consequences might have been disastrous. Our compensation was to be determined, conclusively, by our award; and could not afterwards be increased in any event.

On weighing all considerations of labour, perplexity, and risk, we awarded to ourselves *fifteen hundred dollars each*, for our services as Arbitrators, and for our entire compensation for the complete execution of our trust. Whether this allowance was extravagant, the public will judge. We remark incidentally, that the respectable Counsel who attended the hearing for the two Houses, charged and received fifteen hundred dollars each for their services on that occasion. We think those fees were well merited: and we do not perceive that those Counsel fees have shocked the moral sense of the community.

The 8th article of our award provides, “that if from any
 “cause or accident whatever, the fund now provided, shall
 “prove inadequate to the payment and indemnity of the said
 “sum of \$4500 due us as Arbitrators, together with such
 “contingent expenses as we may hereafter be liable for in
 “keeping, guarding, preserving, insuring, or other ne-
 “cessary charges in relation to said ships and other pro-
 “perty now held by us in trust; then and in such case, the
 “said parties shall be jointly and severally bound to pay and
 “indemnify us, to the extent of the said sum last mentioned,

“together with said contingent charges and expenses, with interest thereon.”

It will be perceived, that we foresaw the possible contingencies of protracted litigation and final forfeiture, and the vast expenditures of keeping the ships during that anxious period; and we deemed it reasonable to secure indemnity, not only for those large expenditures; but also for our awarded compensation, with *interest* on the whole; in the contemplated case of a loss of the entire fund. In no other event was interest to be exacted.

The terms of the submission, in regard to our compensation, are, that the Arbitrators shall sell or mortgage one or both of the ships as occasion might require; “and out of the proceeds of such sale or mortgage, the said Arbitrators or any two of them, after deducting their own costs and charges for their services as Arbitrators, shall pay to the parties of the second part (the Houses) respectively the amount or sums of money (if any) to be awarded to them; and the residue (if any) of the said proceeds shall be paid to the parties of the first part (the Greek Deputies).”

Our construction of this clause in the submission was, that in any event (as to the balance of accounts) the whole charges of the Arbitrators, as well as the contingent expenses of the ships, should be *charged to the fund*: and that we had no right to impose them on either of the parties, independent of the fund; nor to award that each party should pay half. The parties had settled that point, in the express terms of their submission.

In conclusion, we freely admit the probability, that in deciding on the multifarious and complicated questions of law and fact in this great controversy; we have committed many errors. We were bound to hear the parties with patient attention; and to examine and decide with impartiality, with firmness, and with the best efforts of our understanding. We are conscious of having thus discharged our duty: and we are responsible for nothing more. We know that we are

heirs of human frailty, and daily experience admonishes us of our own fallibility: but standing on the solid ground of truth, and conscious rectitude; we submit our conduct, and our motives, to the enlightened discernment, and the candid judgment of our Country.

New-York, 25th Oct. 1826.

JONAS PLATT.

HENRY C. DE RHAM.

ABRAHAM OGDEN.

APPENDIX.

Copy of a Letter from J. Platt, to Capt. Chauncey.

New-York, 27th July, 1826.

CAPTAIN WOLCOTT CHAUNCEY.

SIR.—I this morning had the honour of calling on you at the City Hotel (about 8 o'clock), in order to ask some explanations, and to confer with you, informally, in regard to your account. We are compelled to complete the award this day; and cannot expect a personal interview with you to-day. On behalf of the Arbitrators, and by the request of my colleagues, I take this early opportunity of informing you, that we have felt ourselves constrained to reduce the compensation for your services, in regard to the ships, to \$300 per month (say \$1500) from the 1st March last; the time when the Parties contemplated the ships would be ready for sea, if no obstacle had occurred. Your valuable services, during the operation of building the ships, deserved a high reward, because they were of extraordinary value: but *that* value consisted, in a great degree, in your professional skill; and in aiding the enterprize, by the influence of your name and public station. Since the 1st March last, your services have, indeed, been important; but the employment has been, chiefly, of a different character. And considering the unfortunate result of the whole affair, we hope you will, on re-consideration, believe with us, that \$300 per month is as much as we ought to allow. In confidence that such will be your opinion, we request you to continue in charge of the ships, and all the moveables appurtenant to them, to which we now have title, at the same rate of compensation, (in proportion to the number of days), until one of them can be sold, and the other delivered to Mr. Contostavlos, as we hope. Please favour us with your answer.

I have the honour to be, with great respect,

Your obt. Servt.

JONAS PLATT.

New-York, 30th August 1826, Received of Jonas Platt, Henry C. De Rham and Abraham Ogden, Arbitrators, &c. an assignment of the ship *Hope*, with her tackle, apparel, furniture, equipments, materials, sails, anchors, and appurtenances to the same belong; the said assignment having been made to William Bayard, William Bayard, Jun. and Robert Bayard, by our request, under the award in relation thereto: and we do hereby acknowledge, and declare, that in regard to the materials, equipments, armaments, and other property mentioned, and comprized in two certain bills of sale, or assignments made to the said Arbitrators, to wit: one by Le Roy, Bayard & Co. and the other by G. G. & S. Howland, for the ships *Liberator* and *Hope*, and bearing date the 26th day of June last: it is understood and agreed, that the assignment aforesaid, this day executed by the said Jonas Platt, Henry C. De Rham, and Abraham Ogden, is to include the said ship *Hope*, together with all the other property of every name and description, which was enumerated and comprized in the aforesaid two several assignments so as aforesaid made to said Arbitrators; excepting only the ship *Liberator*, and her tackle, apparel, armaments, and other property which has lately been conveyed by the said Arbitrators to the United States of America; and the residue of said materials, property, armaments and equipments, be the same more or less, and whether the inventories thereof be accurate or not, shall be understood to pass by and be included in the said assignment from the said Jonas Platt, Henry C. De Rham, and Abraham Ogden, to said Le Roy, Bayard & Co. for the use of the Greek Deputies; and the said Arbitrators are not to be account-

able for any losses or deficiencies therein. And it is further stipulated and agreed, that for the complete and certain indemnity and security of the said Arbitrators, the whole amount of the balance of monies in the hands of the said Arbitrators, including the sum due to them from the Navy Agent of the United States, shall remain in the hands of the said Arbitrators, till all claims and demands in law or equity now existing, or hereafter to arise, for, or on account of said ships, *Liberator* and *Hope*, or either of them, or on account of the property before mentioned, or for keeping, guarding and insuring the same; and also as a fund to indemnify the said Arbitrators for all incidental expenses, charges and expenditures in the due execution of their trust as Arbitrators and trustees in the premises. It is understood and expected, that the contract of sale to the United States is to be completed as soon as possible; and whenever the same shall be consummated by complete payment and delivery, then the said Arbitrators shall account for, and pay over to the said Johannes Orlandos and Andreas Luriottis, or their agent, the final balance due to them under the said trust and award; upon their executing to the said Arbitrators a release according to the form this day executed to them by the said Le Roy, Bayard & Co. and the said G. G. & S. Howland.

JOHANNES ORLANDOS. } By their attorney,
ANDREAS LURIOTTIS. } A. Contostavlos.

Copy Reciept for \$3000.

In the matter of
the Greek Deputies
WITH
LE ROY, BAYARD & Co.
and G. G. & S. HOWLAND.
1826, Sept. 7, Received of Jonas Platt, Henry C. De Rham and Abraham Ogden, Arbitrators, &c. Three Thousand Dollars; the same being the amount allowed by the United States' Government, towards ship *Liberator*, over and above the sum of Two Hundred and Thirty Thousand Five Hundred and Seventy Dollars $\frac{27}{100}$, first paid.

The said sum of \$3000 was so allowed by Government, after the examination by them of the said ship and ship's property at the Navy-Yard New-York, 9 Sept. 1826.

ORLANDOS & LURIOTTIS.
By their Attorney, A. CONTOSTAVLOS.

Know all men by these presents, that *whereas* in and by a certain agreement of submission, bearing date the 23d of June 1826, and executed by and between Johannis Orlandos and Andreas Luriottis of the one part, and William Bayard, William Bayard, Jun. Robert Bayard, Gardiner G. Howland and Samuel S. Howland, of the other part, Jonas Platt, Henry C. De Rham and Abraham Ogden were appointed Arbitrators to hear and determine certain matters in difference between said Parties.

And *whereas* in and by a certain instrument in writing, dated the 26th day of June 1826, and executed by said Gardiner G. Howland and Samuel S. Howland, the said Gardiner & Samuel did assign and convey to the said Jonas Platt, Henry C. De Rham and Abraham Ogden, a certain ship, called *the Liberator*, with her appurtenances, in trust, for certain purposes therein mentioned.

And *whereas* in and by a certain instrument in writing, dated the 26th day of July 1826, and executed by said William Bayard, William Bayard, Jun. and Robert Bayard, the said William, William, Jun. and Robert did assign and convey to the said Jonas Platt, Henry C. De Rham, and Abraham Og-

den, a certain ship called "*the Hope*," with the appurtenances, in trust, for certain purposes therein mentioned.

And whereas the said Arbitrators did on the 27th day of July 1826, make and publish their award.

Now Know Ye, that in pursuance of said award, and also in pursuance of an agreement in writing, entered into between said Parties on the 11th day of August instant, subsequent to said award, and in modification thereof, the said Jonas Platt, Henry C. De Rham, and Abraham Ogden did on the day of August instant, sell and convey the said ship *Liberator*, with her appurtenances, to the United States of America, for the sum of Two Hundred and Thirty Thousand Five Hundred and Seventy $\frac{97}{100}$ Dollars.

And the said William Bayard, William Bayard, Jun. and Robert Bayard, hereby acknowledge that in further pursuance of said award, and said subsequent agreement, they have received of said Jonas Platt, Henry C. De Rham, and Abraham Ogden the sum of Fifty-nine Thousand Three Hundred Ninety-two Dollars Forty-eight cents, in full of all moneys due to them in and by said award and said subsequent agreement.

And the said Gardiner G. Howland and Samuel S. Howland truly acknowledge that in further pursuance of said award and said subsequent agreement, they have received of said Jonas Platt, Henry C. De Rham, and Abraham Ogden, the sum of Sixty-eight Thousand Nine Hundred Twenty-two Dollars Fifty-two cents in full of all moneys due to them in and by said award and said subsequent agreement.

And the said Johannis Orlandos and Andreas Luriottis hereby acknowledge, that in further pursuance of said award and said subsequent agreement, they have received of said Jonas Platt, Henry C. De Rham, and Abraham Ogden, the sum of Ninety-six Thousand Six Hundred and Twenty-nine Dollars and Twenty-eight cents.

And also that in further pursuance of said award, the said Jonas Platt, Henry C. De Rham, and Abraham Ogden, have "delivered to the said Johannis Orlandos, and Andreas Luriottis, or their agent, the said ship *Hope*, with her appurtenances, as their absolute property, free from all claims whatever on the part of the Houses of "*Le Roy, Bayard & Co.*" and "*G. G. & S. Howland*," or "either of them."

And the said Johannis Orlandos, Andreas Luriottis, William Bayard, William Bayard, Jun. Robert Bayard, Gardiner G. Howland, and Samuel S. Howland, do hereby confess and acknowledge, that the said Jonas Platt, Henry C. De Rham, and Abraham Ogden, have well and faithfully done, performed, and fulfilled, every thing which was required of them to do, perform, and fulfil, in and by said award and said subsequent agreement. And we do hereby release and forever discharge, the said Jonas Platt, Henry C. De Rham, and Abraham Ogden, their heirs, executors, and administrators, of and from all actions, causes of action, claims or demands whatsoever, in law or equity, touching or concerning the discharge by them, of the trust confided in them, in and by the said first mentioned agreement. In witness whereof, we have hereto set our hands and seals this day of August, 1826.

JOHANNIS ORLANDOS,
By his attorney *A. Contostavlos*.

ANDREAS LURIOTTIS,
By his attorney *A. Contostavlos*.
In presence of } By *Contostavlos*,
Zephaniah Platt. } Sept. 9, 1826.

WILLIAM BAYARD,
By his attorney *Robert Bayard*.
WILLIAM BAYARD, Jun.
ROBERT BAYARD,
G. G. HOWLAND,
S. S. HOWLAND,
By his attorney *G. G. Howland*.